Alberta children's Services

2001-2002 ANNUAL REPORT • SECTION 1

Our Legacy... Alberta's Future
Alberta Children's Services

Alberta
CHILDREN'S SERVICES

Vision

Strong children, families and communities.

Our shared vision is an Alberta
where children and youth are valued,
nurtured and loved; developing to their
potential, supported by enduring
relationships, healthy families and
safe communities. Alberta will be child,
youth and family friendly.

Mission

Working together to enhance
the ability of families and communities
to develop nurturing and safe environments
for children, youth and individuals.

Public Accounts 2001 - 2002

Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 24 Ministries.

The annual report of the Government of Alberta released June 2002 contains the Minister of Finance's accountability statement, the consolidated financial statements of the province and a comparison of the actual performance results to desired results set out in the government's business plan, including the *Measuring Up* report.

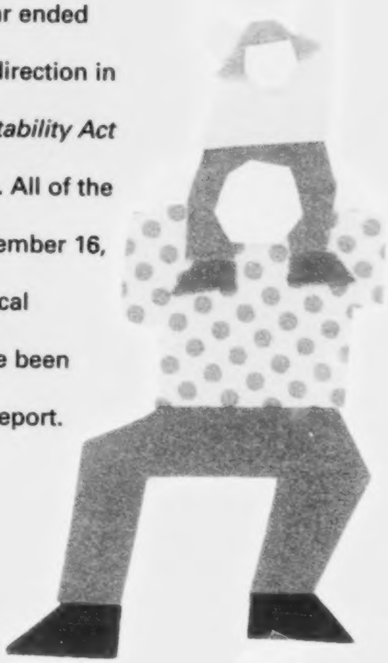
This annual report of the Ministry of Children's Services contains the Minister's accountability statement, the audited consolidated financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- the financial statements of entities making up the ministry including the Department of Children's Services and 18 Child and Family Services Authorities for which the Minister is responsible,
- other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the ministry has anything to report.

This annual report of the Ministry of Children's Services contains the Minister's accountability statement, the audited consolidated financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan.

Minister's Accountability Statement

The ministry's annual report for the year ended March 31, 2002, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of September 16, 2002 with material economic or fiscal implications of which I am aware, have been considered in the preparation of this report.



Iris Evans

Minister

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Message from the Minister

It has been my pleasure to serve as the first Minister of Children's Services since the ministry was created only three short years ago. At Children's Services we understand that in order to serve Albertans as best we can, we must be constantly re-evaluating ourselves and looking at new and more efficient methods of service delivery. The fiscal year 2001-02 had periods of difficulty, but it was also a year of hope and tremendous accomplishment.

The Alberta Response Model (ARM) is an excellent example of how the Children's Services Ministry is continually evolving in order to better meet the needs of its clients – Alberta's children. Developed during the last year, the ARM is a new direction for child welfare service delivery. This innovative model is designed to prevent children from coming into the system by emphasizing prevention and providing improved access to community resources. The ARM will also result in a renewed focus on finding permanent homes for children and youth in need of care.

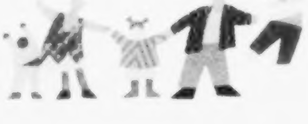
In February we grieved with the rest of Alberta over the death of twin baby girls Angel and Shaniece Kerrigan-Kinahan. Their passing was a terrible tragedy that affected all ministry staff very deeply. Since that time we have made several changes to policy and procedures related to Permanent Guardianship Orders. With these changes and the implementation of the Alberta Response Model we hope to prevent any similar tragedies from occurring in the future.

Public consultation has always played a major role in our efforts to provide the best and most efficient services for Alberta's children, youth and families. We need to hear directly from Albertans about what is working, what is not and how we can improve.

On May 23, 2001, a review of Alberta's *Child Welfare Act* commenced. In the past year the review team traveled all over Alberta holding over 120 meetings with stakeholders. A wide cross-section of people were consulted in order to gain a full perspective on child welfare issues. Feedback was also received through the *Child Welfare Act* review website. In total, over 600 submissions were received. The coming year will be used to develop new child welfare legislation based on what has been heard from Albertans. The legislation will be brought forward in Spring 2003.

Further consultation with Albertans occurred Oct. 2 and 3, when 1,250 stakeholders gathered at the Calgary Roundup Centre to participate in our second Children's Forum – Uniting for Children. Participants discussed issues affecting children and youth such as family violence, child prostitution and Fetal Alcohol Syndrome. Feedback gathered from the forum has been incorporated into our business planning process.

At Alberta Children's Services we believe in partnerships with communities, the private sector, other provincial ministries and other governments. Without our partners we could not achieve the best possible results for Alberta's children and youth.



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In the past year Children's Services took the lead in developing a national paper called 'New Directions in Child Welfare'. The paper examined the history of child welfare in Canada, some of the major factors shaping current child welfare systems and suggestions for future direction. We will continue working with our colleagues across the country to implement innovative initiatives that will transform the child welfare system.

As part of our ongoing efforts to prevent Fetal Alcohol Syndrome and our commitment to the cross-ministry Alberta Children and Youth Initiative (ACYI), Children's Services teamed up with the Alberta Alcohol and Drug Abuse Commission this year to deliver a two-part public awareness campaign. The campaign included a television commercial and a series of posters. Both parts focused on the messages "The only safe level of prenatal alcohol use is none at all" and "FAS/FAE are permanent life-long disabilities that are 100 per cent preventable".

The *Wednesday's Child* program, in collaboration with CTV, the Dave Thomas Foundation and the Adoption Council of Canada, continued to see success with 23 children being adopted in 2001-02. *Wednesday's Child* consists of one-minute TV profiles of special needs children seeking permanent homes.

Making sure that children are provided with the necessary tools in life to grow up happy and healthy is one of our guiding philosophies. Early intervention with at-risk children will increase their chances of a successful childhood and will reduce the need for costly interventions later in life. This year Children's Services provided funding, program support and monitoring to 21 early intervention initiatives on 17 First Nations reserves. Along with our ACYI partners, we developed an Early Intervention Strategy for Alberta that will make community support programs and services for children and families from preconception to age six more available. In addition, $42 million in Family and Community Support Services funding was provided to municipalities across Alberta for preventative programs for children and families.

At Alberta Children's Services we believe in celebrating the achievements of our youth. In February, 700 submissions of artwork and essays were received through the *My Alberta* contest. Held in conjunction with the *Alberta Future Summit*, the *My Alberta* contest asked children and youth the question "What are my hopes and dreams for Alberta's future?" This contest was a chance for kids to celebrate the future of their province. The submissions were shared with other government ministries to help them plan for the future. I'm pleased to showcase the winner's artwork in this report.

In March, 16 young Albertans were presented with Great Kids Awards for their selfless contributions within their homes and their communities. Premier Ralph Klein was in attendance to help honour these youth. Great Kids Award recipients serve as informal advisors to the ministry by providing their perspective on a range of issues affecting young people in the province.

As I look toward the years ahead I see much promise for this young and innovative ministry. We have developed a solid foundation for child welfare in this province and will continue to build upon this foundation for years to come. Children are gifts from God. Each and every one of them require our guidance, our support and all of our love.

Iris Evans

Iris Evans
Minister

Management Responsibility for Reporting

The Ministry of Children's Services includes the Office of the Children's Advocate, the Child and Family Service Authorities, Family and Community Support Services, the Youth Secretariat and the Department of Children's Services.

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

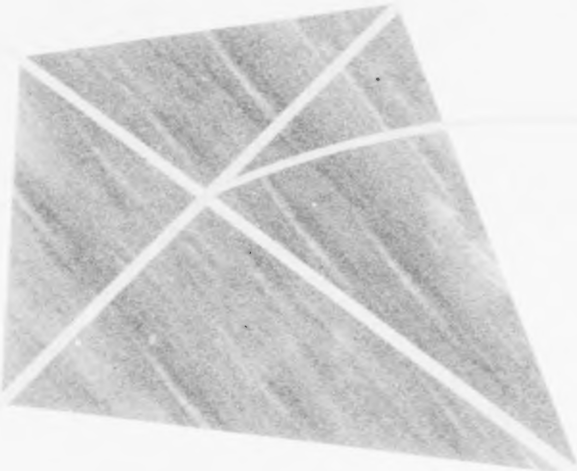
Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the ministry rests with the Minister of Children's Services. Under the direction of the Minister, I oversee the preparation of the ministry's annual report, including consolidated financial statements are prepared in accordance with the government's stated accounting policies.

As Deputy Minister, in addition to program responsibilities, I establish and maintain the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control, which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money.
- provide information to manage and report on performance,
- safeguard the assets and properties of the Province under Ministry administration,
- provide Executive Council, Treasury Board, the Minister of Finance and the Minister of Children's Services any information needed to fulfill their responsibilities, and
- facilitate preparation of Ministry business plans and annual reports required under the Government Accountability Act.

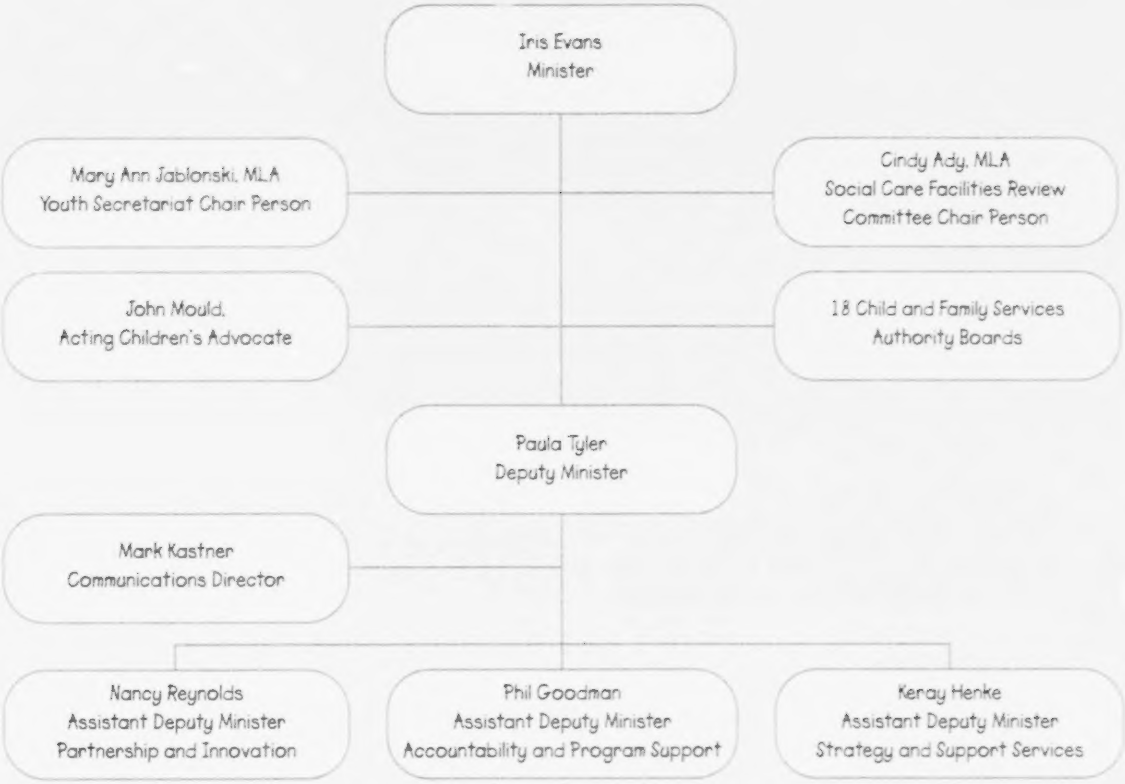
In fulfilling my responsibilities for the ministry, I have relied, as necessary, on the executive of the individual entities within the ministry.

Paula Tyler
Deputy Minister
September 16, 2002



My Alberta
$ $
FOOL

Operational Overview



Iris Evans
Minister

Mary Ann Jablonski, MLA
Youth Secretariat Chair Person

Cindy Ady, MLA
Social Care Facilities Review
Committee Chair Person

John Mould,
Acting Children's Advocate

18 Child and Family Services
Authority Boards

Paula Tyler
Deputy Minister

Mark Kastner
Communications Director

Nancy Reynolds
Assistant Deputy Minister
Partnership and Innovation

Phil Goodman
Assistant Deputy Minister
Accountability and Program Support

Keray Henke
Assistant Deputy Minister
Strategy and Support Services

Partnership and Innovation

- Policy research, development, and evaluation
- Cross ministry initiatives
- Intergovernmental liaison: municipal, federal, and provincial / territorial
- Agreements with Aboriginal communities
- Strategic partnership development
- Governance development and support
- Youth Secretariat services
- Social Care Facilities Review Committee services

Accountability and Program Support

- Provincial Standards, and Best Practices
- Coordination of Early Intervention
- Child Care Resources
- Resources for Children with Disabilities
- Child Welfare Resources and the Alberta Response Model
- Adoption Services and Post Adoption Registry
- Prevention of Family Violence
- Protection of Children Involved In Prostitution
- Support for Family and Community Support Services, and Aboriginal Communities
- Program monitoring, reporting, and outcome measurement services.

Strategy and Support Services

- Legal and legislative support
- Environmental Scanning
- Strategic and business planning
- Financial planning, budgeting and monitoring
- Human resource strategies
- Employee development
- Information technology systems, management and support
- Performance measures and reporting
- Processing of finance, human resources, and information technology transactions through the Alberta Corporate Service Center

Children's Services Organizational Chart

Children's Services

Under Alberta law, the provincial government is accountable for services provided for the safety, security and well-being of children and families. A number of entities work together to fulfill the three core businesses of the Ministry of Children's Services. These entities include:

CHILD AND FAMILY SERVICES AUTHORITIES

Structure

A community board, whose members are chosen from the community and appointed by the Minister of Children's Services, leads each Child and Family Services Authority (CFSA). The community members serving on this board provide strong leadership and work closely with communities in the region.

The authority's chief executive officer, who also manages the daily operations of the CFSA and ensures the regional system runs effectively, implements the board's policies and decisions.

CFSA staff report to the authority through the chief executive officer and are Government of Alberta employees. There is over 2,000 CFSA staff throughout the province. Authorities also contract community-based agencies for some services.

Responsibilities

Each Child and Family Services Authority:

- Assesses needs, sets priorities, plans, allocates resources, and manages the provision of services to children, families and other community members in the region
- Ensures children and families have access to quality services
- Ensures provincial policies and standards are followed in the region
- Monitors and assesses the provision of child and family services
- Works with other CFSAs, public and private bodies, and government to coordinate services for children and families.

Child and Family Services Authorities

Sun Country Child and Family Services Authority
Southeast Alberta Child & Family Services Authority
Windsong Child & Family Services Authority
Calgary Rocky View Child & Family Services Authority
Hearthstone Child & Family Services Authority
Diamond Willow Child & Family Services Authority
Ribstone Child & Family Services Authority
West Yellowhead Child & Family Services Authority
Keystone Child & Family Services Authority
Ma'mōwe Capital Child & Family Services Authority
Sakaw-Askiy Child & Family Services Authority
Sakaigun Asky Child & Family Services Authority
Region 13 Child & Family Services Authority
Region 14 Child & Family Services Authority
Neegan Awasak Child & Family Services Authority
Awasak Child & Family Services Authority
Silver Birch Child & Family Services Authority
Métis Settlements Child & Family Services Authority

The Youth Secretariat was created to identify issues affecting Alberta's youth and to recommend ways to address these issues.

YOUTH SECRETARIAT

The Youth Secretariat was created to identify issues affecting Alberta's youth and to recommend ways to address these issues. Youth Secretariat staff help the secretariat connect with its partners – including MLAs, ministry representatives, partnering departments, youth and their families, and other stakeholders – and work collaboratively to address issues facing Alberta's youth. They are responsible for supporting and maintaining a Youth Advisory Panel.

OFFICE OF THE CHILDREN'S ADVOCATE

The Office of the Children's Advocate provides advocacy services to children who are receiving child welfare services. It represents their rights, interests and viewpoints. The office reports directly to the minister. It also identifies issues of concern in the child welfare system and provides advice to the minister regarding these issues.

SOCIAL CARE FACILITIES REVIEW COMMITTEE (SCFRC)

The SCFRC is a citizen panel with a legislated mandate to visit provincially funded social care facilities and investigate complaints. The committee reports directly to the minister and is chaired by an MLA.

COMMUNICATIONS

The Communications branch works to provide Albertans with useful, timely and clear information about Children's Services and related issues. Communications staff provide ministry and cross-government communications planning and consulting support, plan and implement communications programs, provide media relations on behalf of the ministry, and provide graphic design, advertising and printing production assistance and advice. Communications also creates, coordinates and monitors the Internet presence of the department. Six regionally-based communications staff provide communication services to the Child and Family Services Authorities.

ACCOUNTABILITY AND PROGRAM SUPPORT DIVISION

This branch provides monitoring, reporting and outcome measurement services. It is responsible for all initiatives that report on adherence to standards and accountability. The branch implements quality assurance activities including the setting of provincial standards and managing case reviews and the relationship with outside agencies that do reviews and accreditation checks.

Staff in the Accountability and Program Support Division provides support to Child and Family

Services Authorities, Family and Community Support Services programs, and other community partners by offering guidance and expertise in accountability and program delivery. They also manage provincial programs.

Staff in Partnership and Innovation Division work to build relationships that support Alberta's children and families.

STRATEGY AND SUPPORT SERVICES DIVISION

This division provides strategic operational support to the ministry's policy development and program development, as well as, implementation and support systems. The division is responsible for the business planning and corporate strategic operations of the ministry; provision of legal advice, legislative planning and support to the *Child Welfare Act* Review; coordination of the financial planning, budgeting, analysis and monitoring processes for the ministry. Responsibilities also include: the coordination of effective human resource strategies and initiatives; the management and coordination of data resources, information systems and technology infrastructure; and the provision of advice in the areas of the *Freedom of Information and Protection of Privacy Act* and records management.

PARTNERSHIP AND INNOVATION DIVISION

Staff in Partnership and Innovation Division work to build relationships that support Alberta's children and families. They develop the ministry's partnerships with Child and Family Services Authorities, other government ministries, communities, stakeholders, First Nations and Métis people, aboriginal communities, as well as, provincial, territorial and federal governments. The division also develops projects involving these partners.

As well, staff in this division work collaboratively within the ministry and with other departments to provide research services, gather and disseminate information and evaluate provincial programs to support program and policy development.

Core Business

The primary responsibility for children lies with the parents. Recognizing the role of parents and caregivers, the provincial government has legislated responsibility for children's services shared with parents, communities, Child and Family Services Authorities (CFSAs), childcare practitioners, other levels of government, and the public. The following core businesses and goals reflect the shared accountability of authorities and organizations, including the department, that form the Ministry of Children's Services. It also reflects the ministry's relationship with municipalities and Métis settlements through Family and Community Support Services (FCSS), in achieving positive outcomes for Alberta children and families.

Within this system of shared responsibility and co-operation, Alberta Children's Services, under the direction of the minister, takes the lead in three core businesses.

CORE BUSINESS 1:

Promoting the development and well-being of children, youth and families

Children's Services works with ministry partners to increase the ability of children to develop to their full potential, by providing prevention, promotion and early supports to children, youth and families. The long-term outcomes are:

- Children and youth meet individual developmental milestones
- Children become competent, self-sufficient adults
- Children, youth and families are healthy and self-reliant
- Children are physically, emotionally, spiritually, mentally and socially healthy
- Youth are able to make a healthy transition into adulthood

CORE BUSINESS 2:

Keeping children, youth and families safe and protected

Through preventative approaches and services provided by the Child and Family Services Authorities, the ministry will continue to ensure that Alberta children, youth and families are safe and free from abuse and neglect. Ministry partners also work to prevent family violence, including supports for elderly people who are abused, and address its impact on children, youth and families. The long-term outcomes are:

- Children, youth and families are safe and free from abuse
- Children, youth and families will be protected from harm

- Children, youth and families have safe out-of-home care
- Children are safe in their community
- Parents practice safe child-rearing skills

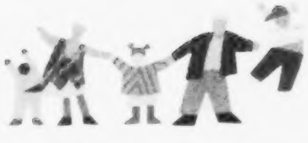
CORE BUSINESS 3:

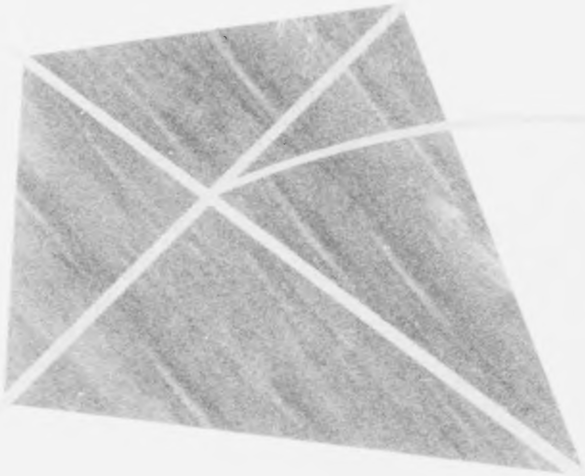
Promoting healthy communities for children, youth and families

With the establishment of the Child and Family Services Authorities, the ministry has a responsibility to involve and support communities in the delivery of services appropriate to their children, youth and families. Working with the Child and Family Services Authorities, First Nations and Métis people, agencies and organizations, municipalities and Family and Community Support Services, the Ministry will encourage and support the development of family-friendly communities that are better able to identify and respond to the needs of their children, youth and families. The long-term outcomes are:

- Strong children, youth and families are a priority for Albertans
- Albertans are aware of the issues faced by their children, youth and families
- Communities are responsive to the diverse cultures, values and needs of children, youth and families
- Children, youth and families are connected to their family, community and culture

> Strong children, youth and families are a priority for Albertans





MY ALBERTA
CLEAN
SAFE
GREEN
Edmonton
Calgary

Results Analysis

Message from the Deputy Minister

The 2001-02 fiscal year was a time of growth and development for the Children's Services Ministry that resulted in tremendous accomplishments and successes.

One of our most significant accomplishments came in the form of realigning our budget and absorbing the one per cent reduction mandated across government while continuing to provide excellent service delivery and leading edge programs to Alberta's children, youth and families.

The New Identities for Victims of Abuse Program worked with 29 people this year. The program provided safety measures for individuals who are victims of life threatening family violence. Our adoption program, child welfare caseload reductions and advancements in the Alberta Children and Youth Initiative were major successes during the past year. These programs, along with our strong community partnerships, have made Children's Services an exemplary model for child welfare service delivery and has cemented our role as a national leader in children's issues.

This year, foster parents received a 10 per cent increase in their daily basic maintenance rate. Foster care funding received a further 15 per cent increase, giving Alberta foster families an additional $4 million.

Family and Community Support Services (FCSS) also received an increase in funding with $9.7 million being given to the City of Edmonton (up from $8.5 million in 2000-01) and $12.3 million going to the City of Calgary (up from $10.6 million in 2000-01). Provincially, FCSS funding in 2001-02 totaled $43 million, a $5 million increase from the previous year.

In the early part of December the department structure was reorganized. This reorganization was driven by the need to better align support and analytical functions to ensure we are always providing optimum support to the Child and Family Services Authorities, FCSS, First Nations and Métis communities. In some instances, changes resulted in bringing service delivery closer to the community – a change that has helped our efforts in building stronger communities.

Children's Services places significant emphasis on employee development. In September, 340 department staff, Child and Family Services Authority staff and representatives from delegated First Nations Agencies attended the *Beyond the Basics* conference in Edmonton. Employees received professional development and leadership training. This conference also provided the opportunity for networking, something which employees had been asking for. The event was truly a grassroots conference. Representatives from each region decided the format, who would speak and what the discussion priorities would be.

I am very proud of the work done in 2001-02 by Children's Services staff on behalf of Alberta's children, youth and families. I look forward to reporting many more successes in the years to come.

Paula Tyler
Deputy Minister

The Alberta Response Model

NEW WAY OF DELIVERING SERVICES

The Alberta Response Model (ARM) includes implementation of several complex activities that address short term and long term needs of children, youth and families who come into contact with the child welfare system. ARM is outcome focused and program delivery strategies are planned to ensure that developmental milestones of children are addressed through resilient, supported families.

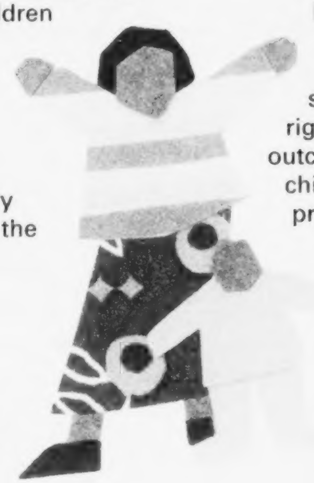
Simply put, ARM is a new approach that will guide the delivery of services, increase efficiencies and make the ministry more responsive to the needs of the children, youth and families it serves.

The ARM approach involves working in partnership with community-based support systems that include family and community supports, adapt the current case management processes, increase permanency planning, increase parental responsibility, and evaluate child-centred outcomes.

Through these activities, it is expected ARM will result in stronger community-based partnerships that improve outcomes for children, youth and families; increase the use of community-based support for children, youth and families; increase permanent placement for children that have Permanent Guardianship Status; decrease the number of children and youth requiring child protection services while increasing child, youth and family well-being.

The Alberta Response Model will make sure the needs of children and families are served and all services provided to a family will be coordinated so they work toward common goals. ARM will also ensure no matter what 'door' into the services of the Ministry a family takes, they will have access to all the services they need. It will be simple and seamless. Families will also be able to obtain additional supports and services as necessary.

It is expected families will take more, earlier and better advantage of community-based, pre-crisis services, children will receive the right service at the right time, service outcomes will improve and fewer children will need statutory child protection services – and those who do, will move through their rough times more quickly.



How Child Welfare services are delivered under the Alberta Response Model.

PROVIDING COMPREHENSIVE SOLUTIONS

Following the ideals set by the Alberta Response Model, Child Welfare staff take a holistic approach to every case, participating on multi-discipline teams where the total needs of the child and family in care are assessed and services are planned. If Child Welfare receives a referral concerning a child who needs services but is not believed to be at significant risk, the family will be helped to access needed services voluntarily.

It is expected families will take more, earlier and better advantage of community-based, pre-crisis services...

RESPONDING TO CRISIS BETTER

When a family crisis arises, multi-discipline, coordinated crisis response teams will take action with the aim of diffusing the situation first and quickly engaging any services needed without the need for protective services. Once an assessment and/or services are provided, the family will be encouraged to get the help they need. If a child is believed to be at significant risk, or if another professional reports the family is unwilling or unable to access needed services voluntarily, a child protection investigation will be done.

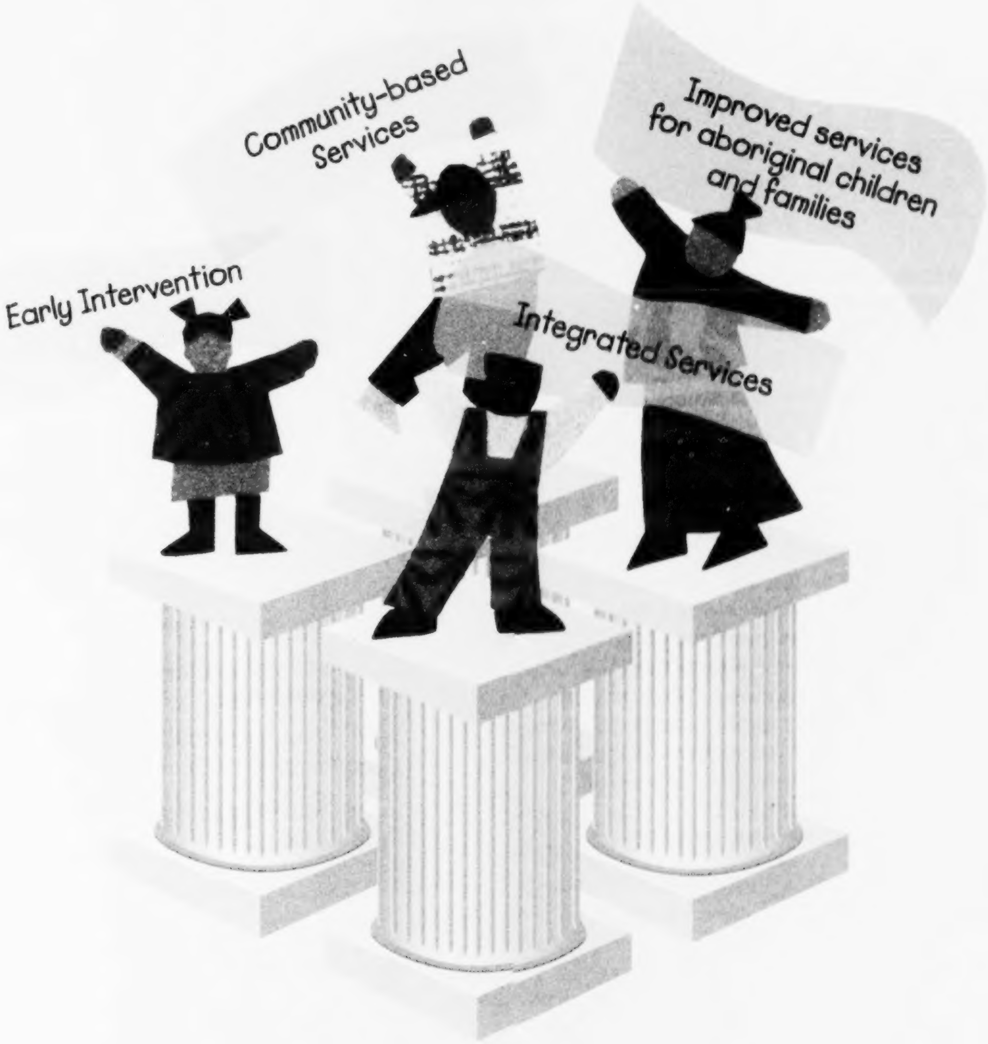
RECOGNIZING RISKS AND ASSETS

Under the Alberta Response Model, when the needs of a child are assessed, the strengths of the family, extended family and community are recognized and mobilized. Family and community members are invited to develop plans to meet a child's needs and to manage the case whenever possible.

COORDINATING SERVICES

Under the Alberta Response Model, all services delivered to a family will be coordinated and will work together toward common goals. The case plan for a child receiving protective services will:

- clearly link the services to the identified risk factors and assessed needs
- clearly link the permanency plan to the service outcomes
- clearly link the decision to close, to risk reduction and service success
- move the child to permanency as quickly as possible.

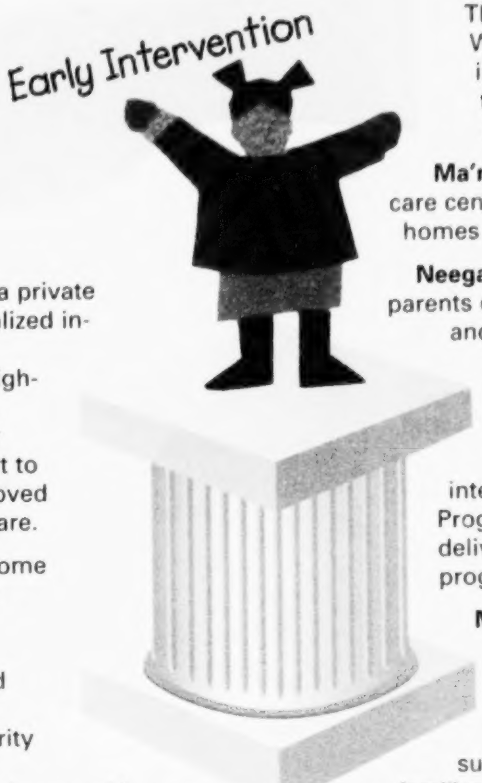

Early Intervention
Community-based Services
Improved services for aboriginal children and families
Integrated Services

Child and Family Services Authorities highlights

The four pillars are the founding principles of the way services are planned and delivered by the 18 Child and Family Services Authorities (CFSAs):

Early Intervention

The regional authorities are committed to providing an array of timely, accessible, programs and services to help children and families develop skills, build on their strengths, and reduce the need for crisis intervention.



EARLY INTERVENTION PILLAR HIGHLIGHTS

Sun Country contracted a private agency to provide specialized in-home supports for approximately 80 very high-needs FAS/FAE children. As a result, the authority increased overall support to foster families and improved stability for children in care.

Windsong provided in-home support through Project Wildrose Community Connections, helping families lower stress and create a healthy home environment. The authority is beginning to see a reduction in the zero-to-six year old caseload and has partnered in a Parent-Child Literacy Strategy Home Visitation Demonstration program.

Calgary Rocky View created a website to give youth information on programs and services offered by the authority and a chance to receive personal and confidential assistance from a trained child welfare worker.

West Yellowhead supported an FAS/FAE program providing education, clinical services and referrals to young adults region wide. The authority also supported WestView Healthy Families initiative providing support to mothers with newborn children.

Ma'mõwe linked quality child care centres and approved family day homes with Neighbourhood Centres.

Neegan Awas'sak worked with parents of children with disabilities and with contracted agencies to restructure services towards a more effective and efficient outcome.

Silver Birch successfully integrated a Family Support Program into the child services delivery system to enhance programming.

Métis Settlements provided innovative, prevention, intervention and support programs for Settlement children, youth and families, successfully diverting at-risk families to appropriate supports and services while meeting the cultural needs of their clients.

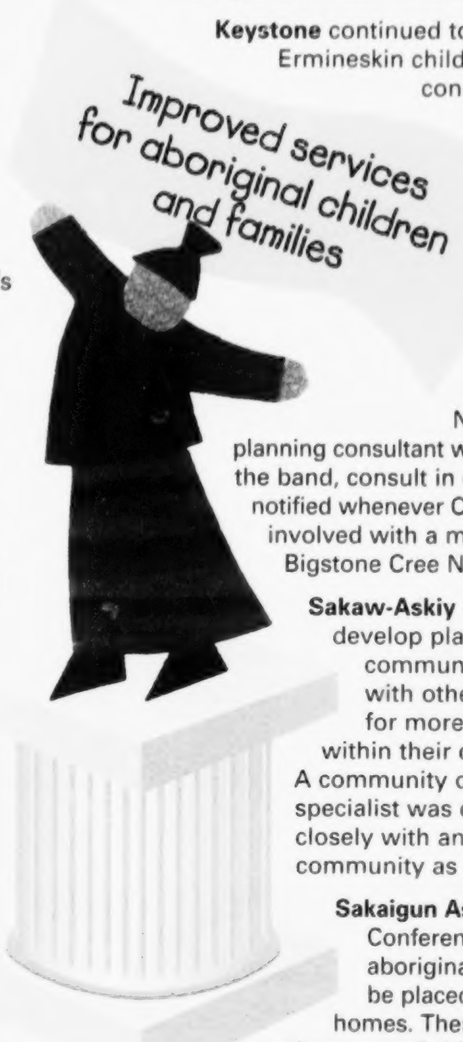
Improved services for aboriginal children and families

The ministry continues to support the aboriginal communities in their desire for increased involvement in the planning and delivery of services for aboriginal children and families that reflect the values, beliefs and customs of aboriginal people[1].

IMPROVED SERVICES TO ABORIGINAL CHILDREN PILLAR HIGHLIGHTS

Calgary Rocky View's aboriginal Multi-Service partnership provided a way for aboriginal stakeholders to give input on services for aboriginal children and their families emphasizing preventive services in support of the Alberta Response Model.

Diamond Willow hired an aboriginal health liaison worker who now visits children and families with health concerns, develops case plans based on specific needs and schedules one-on-one workshops on immunization, health problems, proper nutrition, effects of drugs, alcohol and smoking, and any other problems that need attention.


Improved services for aboriginal children and families

Keystone continued to ensure that Ermineskin children remain connected with their home, reserve and culture.

Ma'mōwe ensured effective permanency planning for children who are members of the Bigstone Cree Nation. A permanency planning consultant was hired to work with the band, consult in case planning and is notified whenever Child Welfare becomes involved with a member child of Bigstone Cree Nation.

Sakaw-Askiy continued to develop plans in aboriginal communities in partnership with other service providers for more effective services within their communities. A community development specialist was contracted to work closely with an aboriginal community as a pilot project.

Sakaigun Asky's Family Group Conferencing helped aboriginal children in care to be placed in permanent homes. There has been early placement of children in permanent homes with either nuclear or extended family and a reduction of multiple moves.

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[1] The Ministry continues to comply with: the government-to-government arrangements with First Nations, Section 2 (Matters to be considered) and Section 73 (Indian child) and all requirements of the Child Welfare Act, as well as Métis Settlements arrangements and the terms of the Alberta/Métis Framework Agreement.

Region 13 recruited a second aboriginal specialist, expanded support to case workers in treatment team discussions, built relationships with First Nations communities and Aboriginal families, and supported family connection for aboriginal children and youth in care. A Draft Protocol Agreement was reached between the Region 13 and the Western Cree Tribal Council.

Region 14 held aboriginal gatherings to celebrate aboriginal culture and the family and support monthly aboriginal-focused gatherings to bring youth from remote northern communities together.

Awas'sak continued its partnership with Athabasca Tribal Council (ATC) in delivering child protection services on-reserve and decreased caseload/transition to ATC by ten per cent.

Silver Birch held the first Elders Gathering, bringing over 2200 people from across western Canada. The event focused on unity, tradition and wellness and featured hands-on workshops taught by elders.

Community-based Services

Community-based Services

Regional authorities support the principles of community participation and inclusion, in order to give children and families increased access to services. The role of "natural helpers", local support networks, and cultural groups in the delivery of services is emphasized.

COMMUNITY BASED SERVICES PILLAR HIGHLIGHTS

Sun Country established community workers to provide development services, help children and families access community services.

Calgary Rocky View worked to identify individual agencies that can help develop a strategic direction for the region. Five agencies were selected as partners, supporting the Alberta Response Model, and continued to develop Community Coordinating Councils and Community Resource Centres.

Hearthstone created a Male Adolescent Anger Management Group and co-facilitated a ten-week course involving ten youth. School personnel and parents reported positive changes in behavior. The authority also established five Community Councils that helped identify needs and

develop community based solutions, including a community-run food bank and community fund in the town of Hanna.

Diamond Willow designed a specialized treatment foster care program offering 24-hour behavior management training to foster parents.

Ribstone and the Saskatchewan Social Services Child and Family Services now deliver seamless programs and services to the children and families in the Lloydminster area, including a program that provides emergency aid and 24-hour support to at-risk youth in Camrose.

West Yellowhead reduced the number of fee-for-service contracts and gave children and families the ability to access to services in their own community rather than traveling to Edmonton. The authority also created an Intensive Behavioral Intervention (IBI) program for children diagnosed with Autism or PDD-NOS.

In Keystone, the Comprehensive Family Violence Initiative served 513 individuals (320 families) in the Drayton Valley area helping groups of men, women and children move from shame and blame to change.

Ma'mōwe continued to focus on recruiting community members to form Community Advisory Committees (CACs) to identify community needs and priorities.

> Silver Birch's Therapeutic Swim program helped children with disabilities develop water safety/swimming skills....

Sakaw-Askiy's Aspen Student Health Initiative Program directed 15 per cent of funds to children with child welfare status, FAS and special health needs. The authority also directed $76,000 of FAS funding to community projects with FCSS, Health, AADAC and schools. The authority also developed the partnership integration fund that matched dollars to improve services in communities.

Region 13 established Community Councils to discuss service needs and coordinate local initiatives. The authority also successfully filled all foster care worker positions and implemented the Regional Foster Care plan to improve support to foster parents.

Region 14 brought consistency to delivery of the Resources for Children with Disabilities program and set the stage for further analysis of client information collected during intake. This new source of information will be used to enhance community partnerships in support of the Alberta Response Model implementation.

Neegan Awas'sak hosted a Regional Family Violence Conference with the full support of all the Family Violence Prevention partners in the Region.

Silver Birch's Therapeutic Swim program helped children with disabilities develop water safety/swimming skills, enjoy freedom of movement, exercise, enhance therapy programs and interact with other students with disabilities in a different environment.

Integrated Services

Regional authorities work in partnerships toward integrating planning and service delivery at the community, regional and provincial levels, in order to facilitate barrier-free access to holistic services.

INTEGRATED SERVICES PILLAR HIGHLIGHTS

Integrating children into permanent, nurturing, homes requires strong partnerships among the regional authorities, communities, and families. In 2001-02, the ministry made considerable strides in permanency planning.

Sun Country assisted all caseworkers to finalize arrangements for the adoption of children in care. One hundred children with the potential for adoption or private guardianship were identified and some foster parents have committed to youth in their care that they will continue to be their "family".

Integrated Services

Southeast Alberta redeployed staff from the six-bed, Saamis Children's Centre into the community to provide Child Care Counsellor training, practice early intervention with adolescents, support foster homes, and assist Child Protection services. This service has also been expanded to Brooks, Alberta.

Windsong created a permanency plan for each child in care and completed ten adoptions with another seven children placed to adopt, a significant increase over past years.

Hearthstone saw a 50 per cent increase in adoptions from the previous year. All children available for adoption were successfully matched to adoptive homes. Six adoptions were finalized, five with special needs, including a sibling group of two — including three extremely high needs FAS siblings being reunited into one adoptive home.

Diamond Willow pooled resources to give all children access to Family Wellness Worker programs that help families access services, coordinate case conferences and provide short term counselling for children who experience difficulties with peer relationships, low self esteem, inappropriate behaviors, unstable family relationships, drug and alcohol abuse, depression and suicidal or abusive behaviours.

In **Keystone**, the Centennial School Breakfast Club helped every child in their school get ready to learn by providing a nutritious breakfast snack and educating children and parents about the connection

between proper nutrition and academic achievement.

Sakaw-Askiy developed a child welfare diversion project in partnership with Athabasca FCSS as a pilot project to move towards the Alberta Response Model.

Sakaigun Asky redesigned its adoption program, recruited specialized workers to identify and support permanent homes for children and are tracking all open files. The restructured program has fulfilled expectations by meeting the target of 10 children successfully matched for adoption.

> Sakaigun Asky's program has fulfilled expectations by meeting the target of 10 children successfully matched for adoption.

Region 13 worked with school divisions, Alberta Mental Health and Alberta Health and Wellness to redefine data requirements to identify the link between Community School Teams and Region 13 Child Welfare caseload pressures. It also laid the foundation for ongoing discussions and partnership with FCSS programs and developed a solution to coordinate efforts and interests across the diverse communities and governance bodies.

Region 14 trained a multi-disciplinary FAS intervention and diagnostic team involving partners from Children's Services, Alberta Health and Wellness, Mental Health, AADAC and several human services agency partners in the community.

Awas'sak opened a third Community Resource Centre in Anzac, filling gaps in services. The Authority also created a new Day Care Officer Licensing and Subsidy program and improved services to children and families. The authority's integration with schools and partners increased, as did pre-crisis referrals, indicating the program's success in stabilizing pre-child welfare families.

Métis Settlements supported the creation and sanctioning of youth and community justice committees. The authority also created a web of partnerships within the justice program and initiated crime prevention through a social development program in cooperation with the Community Mobilization Crime Prevention of Justice Canada.

Métis Settlements took an integrated team approach to ensure that the most appropriate and timely services are delivered in a coordinated and cost effective way. This authority has included Alberta Health and Wellness, Alberta Learning, Alberta Justice, Mental Health, Local Settlement Councils, the Métis Settlement General Council, and many other agencies in these efforts.

Cross Ministry Initiatives

Issues surrounding the healthy future of Alberta's children are woven throughout many ministries. By working together with communities and government departments, Alberta Children's Services can continue to strengthen resources, unify services and increase overall efficiency in developing solutions to the problems that face children, youth and families.

THE ALBERTA CHILDREN AND YOUTH INITIATIVE (ACYI)*

The Alberta Children and Youth Initiative arose from the realization that a coordinated, government-wide effort is critical for the effective and efficient support of children, youth and their families. ACYI commits partnering ministries to work together with the community to ensure that Alberta's children and youth will be well cared for, safe, successful at learning, and healthy.

Partners include Children's Services, Learning, Health and Wellness – Alberta Alcohol and Drug Abuse Commission and Alberta Mental Health

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* **ACYI was originally introduced as** the "Alberta Children's Initiative: An Agenda for Joint Action".

Board, Solicitor General, Community Development, Human Resources and Employment, and Aboriginal Affairs and Northern Development. These partners have developed integrated policies around several key initiatives including: Fetal Alcohol Syndrome, Protection of Children Involved in Prostitution, Student Health Initiative, Children's Mental Health and Early Childhood Development.

The ACYI three primary objectives are to:

- Develop and strengthen supports and resources for children, youth and families in key priority areas;
- Create an environment within government and the community that supports the integrated service delivery for children and youth; and
- Increase accountability and strengthen government's policy framework and direction to support children, youth and families.

FETAL ALCOHOL SYNDROME (FAS)

Fetal Alcohol Syndrome is a preventable, life-long disability that results from prenatal exposure to alcohol. If the worldwide estimates of the incidence of FAS/Effect of 1/100 births is accurate, then approximately 380 children per year are born with FAS/Effect in Alberta; however, some experts believe the number to be much higher. Alberta ministries, agencies and community stakeholders, along with western provincial and territorial governments are working together on FAS strategies through the Alberta Partnership on FAS and the Prairie Northern Pacific FAS Partnership.

With the assistance of AADAC, Alberta Children's Services launched the "Baby Bottles" public awareness campaign outlining the risks of prenatal alcohol exposure. To deliver programming province-wide, the ministry worked with regional FAS Coordinating Committees in partnership with regional CFSA's, offering a community-based approach to prevention and support for those affected. A new model of funding was introduced to distribute all regional FAS funding through the regional CFSA's, improving accountability within the ministry.

Over the past year, the ministry also funded six demonstration projects in three different regions and one First Nation community that offer mentorship support to families at risk, support for those affected, and alternatives to FAS youth in the criminal justice system.

PROTECTION OF CHILDREN INVOLVED IN PROSTITUTION (PCHIP)

Through cross-ministry collaboration, program s and services are available across Alberta to protect children involved in prostitution and help them end their involvement in the sex trade. Over the past year, the budget for protective safe houses was increased by over $1 million to provide intensive, individualized recovery programs within these houses. Close to half a million dollars in new funding was allocated to Street Teams/Safe House Society of Calgary to develop a long-term residential recovery centre for children involved in prostitution. This facility is the first of its kind in North America and supports a holistic approach to long-term residential treatment. Children involved in prostitution now have access to drug, alcohol and psychological counselling along with educational supports that will help them stabilize, recover and eventually leave prostitution.

To provide a framework for increasing public awareness about the PCHIP initiative and the sexual exploitation of children, the PCHIP Communications Strategy was developed in consultation with other government ministries

To ensure children get the best start in life, ACYI partners have developed Alberta's Early Childhood Development (ECD) strategy...

(Justice, Learning, Health and Wellness, AADAC & Aboriginal Affairs and Northern Development). A PCHIP television Public Service Announcement is presently being developed and will be released in March of 2003.

A number of rural CFSAs (Sun Country, Diamond Willow, Ribstone and CFSA Regions 13 and 14) developed early intervention/prevention projects designed to make sure that sexually exploited children across Alberta receive support and that youth are prevented from becoming entrenched in prostitution.

STUDENT HEALTH INITIATIVE (SHI)

The Student Health Initiative increases the ability of school authorities, regional health authorities, child and family services authorities, the Alberta Mental Health Board (AMHB), and other stakeholders to enhance support to students with special health needs. Specifically, SHI has created partnerships within these governing bodies to improve access to integrated health and related support services so that children with special health needs can participate fully in their education programs and be successful at learning.

In the 2001-02 school year, the Student Health Initiative allocated $28.14 million to 20 Student Health Partnerships. In terms of measuring success, 76 per cent of student health partnerships reported meeting or exceeding their targets for the number of students served across eligible categories; 69 per cent of teachers reported satisfaction with the efficiency and effectiveness of services, 78 per cent indicated that student health services had improved their students abilities to be successful at learning and 76 per cent reported that for students with a special health need, a plan was in place to provide such services.

Also in the 2001-02 school year, $324,000 was provided to Student Health Partnerships to fund services to First Nations students who live on reserve and attend school off reserve.

CHILDREN'S MENTAL HEALTH (CMHI)

The Children's Mental Health Initiative coordinates, the Alberta Mental Health Board (AMHB), Alberta Children's Services and other government ministries, regional health authorities, and contracts service providers to deliver mental health services to children, youth and their families. To improve coordination and access to services, AMHB has taken the lead and works with ACYI partnering ministries to develop an integrated provincial framework for a comprehensive system of mental health services for children and youth.

As a result, mental health services for children and youth have been enhanced. Improvements include the development of a community response team for children, youth and families experiencing crisis or at risk of becoming involved in child welfare services; increased dedicated resources for in-home support, respite care and outreach support; expansion of services for young offenders (in centres and on probation) including the creation of two new mental health units at the Calgary and Edmonton Young Offender Centres: and training for service providers to increase community awareness and professional capacity to work with children and youth with mental health disorders. As well, Dr. Bruce Perry, a renowned neurologist, was recruited to

assist in the development of coordinated mental health services for children and youth.

EARLY CHILDHOOD DEVELOPMENT (ECD)

To ensure children get the best start in life, ACYI partners have developed Alberta's Early Childhood Development strategy, which will enhance community capacity to provide a range of health, social and learning programs and services for parents, families and children from preconception to ages six. The strategy recognizes the importance of a child's early years on their future development. Specific initiatives within four key areas: Healthy Birth Outcomes; Enhancing Parenting Skills; Optimal Childhood Development and; Building Community Capacity will be determined by regional ECD partnerships.

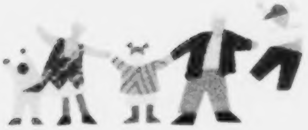
In the 2001-02 fiscal year, funds were allocated to all 18 regions to build on existing initiatives for families with young children that focus on the four key areas. As well, a baseline report outlining services and expenditures to young children and families in Alberta was developed which included a public communications strategy. Alberta Children's Services is currently using this document to develop future programs.

Alberta also invited Dr. Fraser Mustard, a leader in the field of early childhood, along with other early childhood researchers to help develop its early childhood development strategy. Dr. Mustard held two workshop sessions with stakeholders from the Child and Family Services Authorities, First Nations, medical officers of health and community representatives. As well, a Professional Development Day was held in conjunction with the Children's Forum to provide ministry staff, CEO's, Child and Family Services Authority board members and partnering ministries an opportunity to hear from a range of Canada's experts on children's issues.

ABORIGINAL POLICY INITIATIVE (API)

The Aboriginal Policy Initiative was developed to help the Government of Alberta, First Nation, Métis and other aboriginal communities, other governments and stakeholders address the well being, self reliance and economic development of aboriginal people in Alberta. As well, API was set up to clarify provincial, federal and aboriginal government roles and responsibilities. The Deputy Minister of Children's Services co-sponsors the API with Aboriginal Affairs and Justice and the ministry continues to work with First Nations governments, the Métis Nation Association of Alberta and other aboriginal organizations to identify key activities, new directions and successful program outcomes.

This past fiscal year, Alberta Children's Services broke new ground in discussions with the Blood First Nation and Federal Government and developed an agreement, in principal, for the Blood Tribe to establish their own by-law for providing child welfare services on reserve. New Child Welfare Agreements were also negotiated with four First Nation Agencies. One of these was to provide for off-reserve service delivery with Siksika First Nations. The ministry worked with aboriginal partners to develop a conference on suicide prevention in the aboriginal communities. The ministry also piloted a custom adoption project for culturally sensitive First Nations adoption arrangements. Other projects included working with the Interprovincial Association on Native Employment (IANE) and Human Resources and Employment to develop an aboriginal role model directory, and career information services.



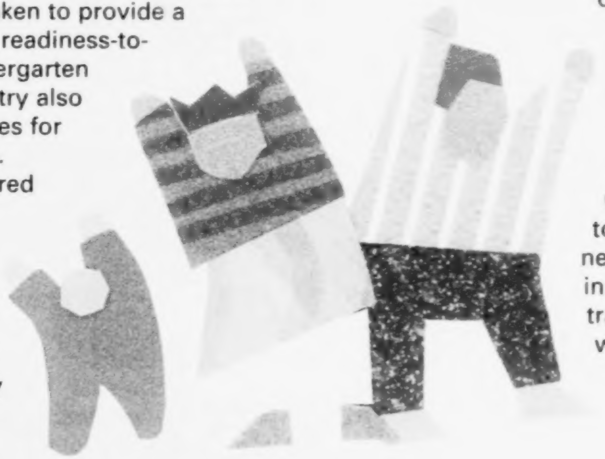
2001-02 Highlights

SUPPORT EARLY INTERVENTION

Early Intervention programs were developed in line with the Alberta Response Model. As well the ministry provided support to 21 Early Intervention Programs on 17 reserves.

SUPPORT EARLY CHILDHOOD CARE AND EDUCATION

A mapping project in Calgary Rocky View region was undertaken to provide a clear picture of the readiness-to-learn of 2,800 Kindergarten children. The ministry also developed guidelines for child care licensing. Training and delivered them to Alberta's Child and Family Service Authorities on playground and child environment safety. The ministry approved Home Visitation projects in 11 additional regions.



WORK IN PARTNERSHIP TO PROVIDE COORDINATED AND INTEGRATED SERVICES TO CHILDREN WITH DEVELOPMENTAL AND SPECIAL NEEDS

The ministry launched the 'baby bottles' campaign, raising awareness of the risks associated with prenatal alcohol exposure. The ministry also delivered programming province wide to help those already affected. An expert panel was established to better address the needs of children with autism. Mental Health Services have been improved.

PROVIDE QUALITY SERVICES TO PROMOTE THE WELL-BEING OF ALL CHILDREN

Alberta's Early Childhood Development Strategy builds on existing initiatives. As well, the ministry helped Child and Family Services Authorities to develop initiatives that honor the cultural and spiritual needs of aboriginal children. A Youth in Transition framework was developed to improve consistency of policy across all ministries and a mentoring and bursary project was initiated. A Community Response Team was developed in Calgary to better respond to crisis and a leading neurologist, specializing in the treatment of traumatized children, was recruited as Medical Director of Children's Mental Health for the Alberta Mental Health Board.

DEVELOP AND STRENGTHEN PERMANENCY PLACEMENT INITIATIVES

Adoption of children with special needs increased by ten per cent and 11 Big Stone Cree Nation children have been permanently placed. The Wednesday's Child television programs aided in placing 75 per cent of the children with special needs featured on the program. An open custom adoption program became fully operational this year and was successful in placing ten First Nation children with First Nations families with another five already planned for next year.

Provide at-risk children and youth with early support opportunities, including mentoring.

Mentoring resources are being increased and improved across the province.

CONTINUE TO DEVELOP AND ENHANCE PROTECTION AND PREVENTION SERVICES

A risk assessment and reduction strategy was developed and training is ongoing. Protection of Children Involved in Prostitution legislation was strengthened and improvements were made to safe houses in Edmonton, Calgary and Lethbridge.

> The ministry hosted the second Children's Forum bringing together over 1,000 community partners and stakeholders.

SUPPORT THE CAPACITY OF FIRST NATIONS TO DELIVER SERVICES FOR ABORIGINAL CHILDREN

New Child Welfare Service Agreements were negotiated with four First Nations Agencies to develop and deliver services under their own Child Welfare Act.

INCREASE AWARENESS OF FAMILY VIOLENCE AND DEVELOP APPROPRIATE TREATMENT SERVICES FOR BOTH VICTIMS AND PERPETRATORS OF VIOLENCE

Over the past year, 2,015 people were trained in the *Protection Against Family Violence Act* – 1,230 of those were police, 500 were people within the community and 285 were child welfare workers.

BUILD PROGRAM AND PERFORMANCE EVALUATION INTO THE DELIVERY AND CONTINUOUS IMPROVEMENT OF SERVICE

A new performance management system was developed that will integrate data from across all regions and will allow the ministry to coordinate its performance management.

CONTINUE TO ENHANCE FINANCIAL AND HUMAN RESOURCE INFORMATION THROUGH THE EFFECTIVE USE OF INFORMATION TECHNOLOGY

A financial practice review was developed that uses cost and caseload information to provide information for review every month. The ministry and the regional authorities jointly developed a process that resulted in successful management of in-year cost pressures, and meeting all fiscal targets. A ministry Information Technology plan was developed to support the Corporate IT strategy.

IMPROVE THE QUALITY OF CARE AND FAMILY-BASED SERVICES TO CHILDREN AND YOUTH

The ministry developed a policy framework and strategy to deliver Early Childhood Development services more effectively. The Child Financial Support Program supports stable, longer-term relationships for children who are being cared for by adults who are not their parents. The program provided

medical coverage to 2,055 children and supported an average monthly caseload size of 1,417 children.

BUILDING RELATIONSHIPS AND WORKING WITH COMMUNITIES AND COMMUNITY PARTNERS

The ministry established an accountability framework with performance expectations for its 18 regions. The ministry led a federal, provincial and territorial ECD initiative by establishing a ministry Prevention Committee. Through the Aboriginal Policy Initiative, new ground was broken in developing and delivering services to First Nations children living off-reserve.

WORK WITH ABORIGINAL COMMUNITIES TO HELP DEVELOP THEIR CAPACITY

Workshops related to accountability were given to First Nations and the ministry worked closely with First Nations authorities to develop their capacity to govern. Through partnership, the ministry developed an Aboriginal Role Model Directory.

INCREASE PUBLIC AWARENESS OF CHILDRENS ISSUES AND THE WORK OF THE MINISTRY

The ministry hosted the second Children's Forum bringing together over 1,000 community partners and stakeholders. Eighteen key areas were identified to enhance services to children, youth and families. The ministry also held workshops featuring Dr. Fraser Mustard, an internationally recognized leader on early childhood development. Alberta Children's Services also continued to raise awareness of aboriginal issues through briefings to other ministries and by involving ministry staff in public awareness discussions.

CONTINUE PARTICIPATION IN CROSS-GOVERNMENT CHILDRENS INITIATIVES

The ministry helped to evaluate National Child Benefit initiatives in Alberta – including the Protection of Children Involved in Prostitution Act and Child Care Subsidy & Transitional Supports for Youth Leaving Welfare. Alberta Children's Services also participated in the Canadian Strategy Against Commercial Exploitation of Children.

STRENGTHEN EXISTING STRUCTURES AND VENUES FOR COMMUNICATING THE VOICE OF CHILDREN AND YOUTH

Last year, 16 Great Kids Awards were given out to outstanding young people to acknowledge the contributions they make to their family, school and/or community. A Youth Advisory Panel was created, the first of its kind in Alberta. The panel consists of 13 youth, ages 16 to 21, and meets every second month to give advice to the government on issues such as teen pregnancy, youth in transition, children's mental health and Calm Curriculum. The ministry created a "Your Choice Your Voice" Youth Forums Handbook.

STRENGTHEN THE INVOLVEMENT OF COMMUNITY PARTNERS IN DECISION-MAKING

The ministry supported First Nations Social Policy Advisors in their efforts to prepare Early Childhood Development strategies and sponsored a special workshop for First Nations with Dr. Fraser Mustard.

Report of the Auditor General

AUDITOR
GENERAL
Alberta

Report of the Auditor General on the Results of Applying Specified Auditing Procedures to Performance Measures

To the Members of the Legislative Assembly:

I have performed the following procedures in connection with the Ministry of Children's Services performance measures included in the *2001-2002 Annual Report of the Ministry of Children's Services* as presented on pages 29 to 75.

1. Information obtained from an independent source, such as Statistics Canada, was agreed with the information supplied by the stated source. Information provided internally was agreed to the reports from the systems used to develop the information.

2. The calculations which converted source information into reported measures were tested.

3. The appropriateness of the description of each measure's methodology was assessed.

As a result of applying the above procedures, I found no exceptions. However, these procedures do not constitute an audit, and therefore I express no opinion on the performance measures included in the *2001-2002 Annual Report of the Ministry of Children's Services.*

Fred J. Dunn
CA
Auditor General

Edmonton, Alberta
July 30, 2002

Core businesses, goals and performance measures

The following section outlines core businesses, goals, strategies, desired outcomes and performance measures related to these outcomes.

Over the past year, the ministry continued to take steps to build its capacity to ensure reliable reporting of performance measures. As part of a larger effort to improve performance management, an important undertaking was a review of the performance measures in the 2001-04 ministry business plan. Reviewing was based on established criteria for performance measures best practices. As a result, a number of measures in this year's report are not being carried forward and will not be reported on next year. Work has initiated to create consistent performance measures conducive to multiple year comparison of data on the ministry's performance.

11 Bigstone Cree Nation Children were placed in permanent homes.

Funded 21 Early Intervention programs.

Core Business One

Promoting the development and well-being of children, youth and families.

75% of children featured on Wednesday's Child program were placed.

Adoption of children with special needs increased by 10%.

Provide opportunities for children and youth to be challenged to reach their potential

SUPPORT EARLY INTERVENTION

1.1.1 Support early intervention strategies and family supports for children at risk.

1.1.2 Continue to support the need for on-reserve early intervention and prevention programs.

SUPPORT EARLY CHILDHOOD CARE AND EDUCATION

1.1.3 Promote the implementation of readiness to learn measures for preschoolers.

1.1.4 Ensure that best practices for early childhood care and education settings are being shared, implemented, monitored and evaluated.

1.1.5 Initiate a new home visitation or mentoring program for parents of very young children and at risk families.

1.1.6 Examine new initiatives to improve the quality of child care programs.

Support early intervention.

EARLY SUPPORTS ARE THE KEY

Early intervention programs are designed to provide options to help children, youth and families overcome at-risk circumstances and reduce the need for crisis intervention. Examples of early intervention programs include Head Start, Early Literacy, family outreach support services, parenting skills and parenting supports, and recreation and social skills development for youth.

Over the past year, Early Intervention (EI) programs were reviewed to make sure they were in line with the Alberta Response Model (ARM) to provide consistent support for children and families to overcome at-risk situations and avoid the need for intrusive protection services. In making funding decisions involving early intervention programs, priority was given to programs that target families at risk of entering the child welfare system and for children in the 0-6 year old range. It is expected that over time, this will reduce the need for services such as child protection and allow for more investment in early intervention and prevention programs.

PROVIDING SERVICE TO ABORIGINAL CHILDREN

The First Nation's Liaison Unit (Calgary/South) assisted in developing a Treaty 7 position paper on the need for ongoing financial support for on-reserve EI programs. Children's Services provided funding in the amount of $1,663,645, program support and monitoring to 21 EI programs on 17 reserves. The ministry also negotiated and signed four EI programs within the region and completed an annual review of each program.

Many of the community-based early intervention projects focus on preventive programming designed to reach children at risk. Chief and Council through a Band Council Resolution have sanctioned each of the early intervention initiatives. Ministry representatives also provided ongoing support and program monitoring through regular site-visits.

Support early childhood care and education.

LEARNING EARLY

Research shows a child's early experiences have the most important influence of any time in their life on how they develop as adults. Their ability to learn and cope and how healthy they will be as adults, depends greatly on how they develop as children. Child and Family Services Authorities (CFSA's) and Family and Community Support Services (FCSS) along with their regional partners, are determining priority investments for Early Childhood Development that will strengthen a parent's ability to meet the needs of their children and promote the highest level of development. The purpose of this initiative is to ensure quality early childhood development experiences are available for young children and to provide financial support to low-income parents accessing regulated child care for their children.

Children's Services is committed to making sure Alberta's children are ready to learn when they enter grade one. The ministry led a partnership effort that includes Alberta Learning, Alberta Health and Wellness and other community partners in launching a community mapping pilot project in the Calgary Rocky View region. The first phase provided a snapshot of over 2,800 kindergarten student's readiness to learn and

Children's Services is committed to making sure Alberta's children are ready to learn when they enter grade one.

looked at their development in social knowledge and competence, emotional health/maturity, general knowledge and communication skills. The second phase described the communities studied and gave a picture of the distribution and scope of programs and services provided to families within those areas. The results will give communities the information they need to prepare their children for school.

As well, child care specialists were consulted to develop provincial guidelines for licensing. Self-study training modules were developed to help evaluate playground safety and child care facilities. Training was delivered to the majority of Child and Family Services Authority Child Care Specialists in the use of the Early Childhood Environment Rating Scale revised Edition and the Infant/Toddler Environment Rating Scale to assess the quality of early childhood programs in Alberta. Delivery of this training supports the implementation of the ministry Performance Measure related to the number of child care programs providing a developmentally appropriate programs for young children.

In January of 2001, a Day Care Review Committee was commissioned to examine the issues and trends in the day care community and propose solutions. A study of trends in family day homes and out-of-school care was completed. The study concluded that the challenges faced in providing regulated care in rural Alberta require innovative. Regulated child care services are engaging in partnerships within their local communities in support of the principles of the Alberta Response Model.

In 2001-02, Level I training was delivered in several rural, remote and First Nations communities and is now provided in classroom and distance delivery at no cost for any person interested in working with pre-school children. A pilot project with Alberta Learning also makes this course available as a credit course for high school students.

A HEALTHY FUTURE STARTS AT HOME

In 2001-02, the ministry approved proposals for home visitation programs in 11 regions to support parents with babies and young children who may be at risk. Home Visitation is an early intervention program designed to support healthy pregnancy and births, proper early childhood development, and mentorship to parents through home visitors. This supports the Alberta Response Model. Approximately $3.5 million was provided to support these programs.

Outcomes & Performance Measures

Outcome:

Children and youth participating in child care programs have their developmental needs met

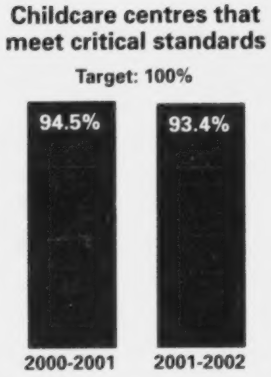
Performance Measure:

Percentage of childcare centres that meet critical standards

Developmental needs of children in childcare will be enhanced through the meeting of five critical standards established for childcare centres. The five critical standards relate to

supervision, staff qualifications, child guidance, staff/child ratio and general developmental needs. For the purpose of this performance measure, child care centres are day care centres as defined in the Day Care Regulation.

The results below indicate that the percentage of child care centers meeting critical standards has remained relatively constant over the past two years. To address the outcome of meeting developmental needs, this measure will be replaced in the 2002-05 ministry business plan. A specific measure that addresses the extent to which child care centres are meeting the developmental needs of children will be developed.



Childcare centres that meet critical standards

Target: 100%

Data Source:
Child Care Information System
Alberta Children's Services

Note: Whenever a child care centre does not meet a critical standard, a non-compliance is recorded by the child care specialist. A child care centre without a non-compliance or one non- compliance to the identified critical standards, over a one year period, is considered to be a low risk facility; with two or three non-compliances a medium risk; and with four or more non-compliances is a high risk facility. This measure is the total number of child care centres that are considered to be low risk or medium risk facilities.

GOAL 1.2

Provide a continuum of services to support and promote the well-being of children, youth and families.

WORK IN PARTNERSHIPS TO PROVIDE COORDINATED AND INTEGRATED SERVICES TO CHILDREN WITH DEVELOPMENTAL AND SPECIAL NEEDS

1.2.2 Continue to enhance and implement a comprehensive inter-provincial plan for the prevention, intervention, care and support of individuals with Fetal Alcohol Syndrome.

1.2.5 Complete a Handicapped Children Services (since renamed Resources for Children with Disabilities) complex case review to ensure that children are receiving supportive and high quality services.

1.2.7 Collaborate with other ministries to provide a range of integrated health and related support services to children with special needs (Student Health Initiative).

1.2.8 Continue to work with other ministries to develop a comprehensive mental health system to address the mental health needs of children, including children in care (Children's Mental Health Initiative).

PROVIDE QUALITY SERVICES TO PROMOTE THE WELL-BEING OF ALL CHILDREN

1.2.1 Continue to enhance early childhood development strategies (0-to-6 initiative).

1.2.3 Continue to promote initiatives that honor the cultural and spiritual needs of aboriginal children, youth and families.

1.2.4 Conduct program evaluations and integrate the results into ongoing program planning.

1.2.6 In conjunction with the Youth Secretariat,work in partnership to enhance supports available to youth making the transition to adulthood.

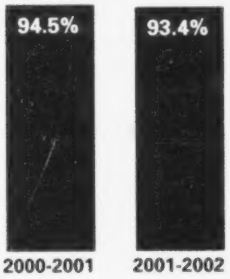
1.2.9 Collaborate with the Child and Family Services Authorities to initiate mobile Community Response Team pilot projects to assist children, youth and families in crisis.

supervision, staff qualifications, child guidance, staff/child ratio and general developmental needs. For the purpose of this performance measure, child care centres are day care centres as defined in the Day Care Regulation.

The results below indicate that the percentage of child care centers meeting critical standards has remained relatively constant over the past two years.
To address the outcome of meeting developmental needs, this measure will be replaced in the 2002-05 ministry business plan. A specific measure that addresses the extent to which child care centres are meeting the developmental needs of children will be developed.

Childcare centres that meet critical standards

Target: 100%



Data Source:
Child Care Information System
Alberta Children's Services

Note: Whenever a child care centre does not meet a critical standard, a non-compliance is recorded by the child care specialist. A child care centre without a non-compliance or one non- compliance to the identified critical standards, over a one year period, is considered to be a low risk facility; with two or three non-compliances a medium risk; and with four or more non-compliances is a high risk facility. This measure is the total number of child care centres that are considered to be low risk or medium risk facilities.

Provide a continuum of services to support and promote the well-being of children, youth and families.

WORK IN PARTNERSHIPS TO PROVIDE COORDINATED AND INTEGRATED SERVICES TO CHILDREN WITH DEVELOPMENTAL AND SPECIAL NEEDS

1.2.2 Continue to enhance and implement a comprehensive inter-provincial plan for the prevention, intervention, care and support of individuals with Fetal Alcohol Syndrome.

1.2.5 Complete a Handicapped Children Services (since renamed Resources for Children with Disabilities) complex case review to ensure that children are receiving supportive and high quality services.

1.2.7 Collaborate with other ministries to provide a range of integrated health and related support services to children with special needs (Student Health Initiative).

1.2.8 Continue to work with other ministries to develop a comprehensive mental health system to address the mental health needs of children, including children in care (Children's Mental Health Initiative).

PROVIDE QUALITY SERVICES TO PROMOTE THE WELL-BEING OF ALL CHILDREN

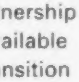
1.2.1 Continue to enhance early childhood development strategies (0-to-6 initiative).

1.2.3 Continue to promote initiatives that honor the cultural and spiritual needs of aboriginal children, youth and families.

1.2.4 Conduct program evaluations and integrate the results into ongoing program planning.

1.2.6 In conjunction with the Youth Secretariat,work in partnership to enhance supports available to youth making the transition to adulthood.

1.2.9 Collaborate with the Child and Family Services Authorities to initiate mobile Community Response Team pilot projects to assist children, youth and families in crisis.



Working in partnerships to provide coordinated and integrated services to children with developmental and special needs.

FIGHTING FETAL ALCOHOL SYNDROME

Fetal Alcohol Syndrome (FAS) is a tragic lifelong disability that results from prenatal exposure to alcohol. To help prevent FAS, Alberta Children's Services partnered with AADAC to launch the "Baby Bottles" public awareness campaign outlining the risks of prenatal alcohol exposure. The ministry also delivered programming province-wide to help those affected and introduced a new model of funding that, in turn, improved accountability within the ministry. (See Cross Ministry Initiatives on FAS for more details)

> To help prevent FAS, Alberta Children's Services partnered with AADAC to launch the "Baby Bottles" public awareness campaign outlining the risks of prenatal alcohol exposure.

MAKING SURE THE CARE IS THERE

Over the past year, through the ACYI, Children's Services established a working group to identify a process for regional joint management and accountability of services for children and youth with complex special needs. (See Cross Ministry Initiatives on ACYI for more details)

As well, Resources for Children with Disabilities (RCD) (previously known as the Handicapped Children's Services Program) is working together with CFSAs to facilitate cross-ministry partnering at a regional level to address children's multi-system needs. The ministry is also using experts in children's health, development and mental health to consult on complex cases.

In an effort to address the unique and complex needs of children with autism, Children's Services has also established an expert advisory panel on an early intervention program for children with autism called Intensive Behavioural Intervention (IBI). The recommendations of the panel will help determine which services should be provided to support children with autism. The panel's recommendations and the final evaluation report are expected July 30, 2002. Planning also began in March 2002 for an evaluation of the Intensive Therapeutic Intervention program for children with cerebral palsy and their families, delivered through Renfrew Educational Services in Calgary.

RESPONDING TO CHILDREN WITH SPECIAL NEEDS AND DISABILITIES

To help children with special health needs participate to their fullest potential in school, the Student Health Initiative (SHI) provides services such as speech language therapy,

occupational therapy, audiology, respiratory therapy, clinical nursing, and emotional and behavioural supports.

New evidence shows that the early years, from conception to age six, set the stage for a child's ability to cope, learn and enjoy life in good mental and physical health.

ADDRESSING MENTAL HEALTH ISSUES

As a result of the Children's Mental Health Initiative that brought ministry and community partners together, mental health services for children and youth have been enhanced. Improvements include dedicated response teams, dedicated in-home support, respite care, expansion of services for young offenders and training to help people working with children with mental health disorders. (See Cross Ministry Initiatives for details)

Provide quality services to promote the well-being of all children.

STARTING EARLY

New evidence shows that the early years, from conception to age six, set the stage for a child's ability to cope, learn and enjoy life in good mental and physical health. As part of the Alberta Children and Youth initiative (ACYI), Alberta's Early Childhood Development (ECD) strategy was developed to build on existing initiatives for families with young children that focus on healthy birth outcomes, parenting skills, optimal childhood development, and building community capacity. (See Cross Ministry Initiatives for details)

MEETING THE NEEDS OF ABORIGINAL CHILDREN

The ministry also continued to develop initiatives that recognize and address the social, cultural and spiritual needs of First Nations and Métis Children receiving care. By providing guidance the ministry was able to help CFSA's develop initiatives that honor cultural and spiritual needs and enhance the participation of aboriginal board members in governing the authority. In order to create more opportunities for First Nation and Métis children in care to experience their heritage and traditional lifestyles, the ministry helped further develop aboriginal foster homes and group homes on reserves. To that end, the ministry continues to participate in discussions with Bigstone Cree Nation and Indian and Northern Affairs Canada with respect to a transitional Back to Homes group facility for children being introduced to, or reunited with, their family, culture and community.

BUILDING FOR THE FUTURE

Alberta's programs for children require continual evaluation and adjustment. For the 2001-02 period, programs were evaluated in consultation with program managers and linked to ongoing performance management indicators developed for PERFORM.

Working with the Youth Secretariat, a Youth in Transition Policy framework was developed and integrated into the ACYI 2002-03 strategy on youth in transition. The framework identifies goals for youth program development, provides consistency in policy across all government ministries and

encourages the building of resilient youth, parents, caregivers, family and communities to support the transition to adulthood. In response to the Youth Secretariat Report on Youth in Care, a mentoring and bursary project for youth in care was initiated during this period. Extensive research was done on other similar projects in Canada and internationally. Assessment on what was currently in place was also completed with recommendations for establishing pilot projects for mentoring youth in care in a variety of settings for the upcoming year. The feasibility of partnering with an existing grant authorizing organization to deliver the bursary for youth in care is also being explored.

RESPONDING TO CRISIS

The need for better-coordinated community-based emergency and crisis services was answered with piloting of the first two components of a Community Response Team (CRT) in Calgary. Ma'mōwe Capital Region and their community partners have begun to develop components of a Community Response Team. The 2002-03 funding has been approved for these teams. Calgary and Ma'mōwe are examining the fit of CRTs with the ARM model. The recruitment of a leading neurologist specializing in the treatment of traumatized children as Medical Director of Children's Mental Health for the Alberta Mental Health Board will greatly assist in the development of coordinated mental health services for children and youth.

Outcomes & Performance Measures

Outcome:

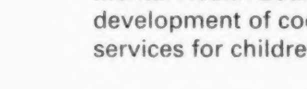
Families accessing Handicapped Children's Services (now called Resources for Children with Disabilities) report a positive impact on their families

Performance Measure:

Percentage of families accessing Handicapped Children's Services (now called Resources for Children with Disabilities) who report the services are having a positive impact on their family

One indicator for how programs and services are performing involves feedback from the users of those programs and services. This measure involves a client survey where clients provide feedback on their satisfaction with services received and their perception of the program's impact on their family. Surveys are conducted in cooperation with the Child and Family Services Authorities.

Results for this measure were to be based on a client survey; however, a survey was not conducted this year. Client surveys are now conducted every two years in order to reduce response burdens and costs. The survey will take place in 2002-03.



GOAL 1.3

Provide positive, stable living situations and ongoing, nurturing relationships for children and youth in care

DEVELOP AND STRENGTHEN PERMANENCY PLACEMENT INITIATIVES

1.3.2 Strengthen Permanency Planning Initiatives, such as the foster/ adoption program, family ties and caring families to ensure that children in care.

1.3.3 Actively recruit adoptive families for special needs adoptions.

1.3.4 Develop the Custom Care and Adoptions Initiative in concert with First Nations agencies and CFSAs to improve permanency for aboriginal children in care. Conduct a review of Foster Parent's fee schedule.

PROVIDE AT-RISK CHILDREN AND YOUTH WITH EARLY SUPPORT OPPORTUNITIES, INCLUDING MENTORING

1.3.1 Support Child and Family Services Authorities to develop early support strategies of mentoring, peer support and extended support networks to ensure that all at-risk children have access to nurturing adults.

1.3.6 Explore the implementation of the recommendations for the Youth Secretariat concerning the mentoring opportunities for youth at risk.

Develop and strengthen permanency placement initiatives.

PLACING CHILDREN IN STABLE HOMES

In 2001-02, adoption of children with special needs increased 10 per cent. The ministry is now enlisting the aid of licensed adoption agencies to complete specific adoption tasks to place children who are the responsibility of a Director of Child Welfare. Information systems have been improved to allow for better quality information and permanency planning.

Through the Bigstone Permanency Planning initiative 11 Bigstone Cree Nation children have been placed in permanent homes, connecting with their immediate and/or extended family, heritage, culture and community.

SUPPORTING STABLE AND CARING FAMILY RELATIONSHIPS

Using television programs and public service announcements, recruitment strategies have been increased to attract adoptive parents for children with special needs. The Wednesday's Child TV program helps place 75 per cent of the children featured and video footage of the program is now available on the internet. Over the past year, the ministry also developed Internet and Intranet communications pathways to feature special needs children and their profiles. In Calgary, television and radio ads along with posters, billboards and ads on buses were used to promote special needs adoption in southern Alberta. Some of these materials were duplicated in Ma'mōwe.

OPENING DOORS

With the aim of keeping First Nation children connected to their culture and traditions, the Yellowhead Tribal Services Association (YTSA) Open Custom Adoption Program became fully operational this year and exceeded its target. The objective of the program is to place First Nation children for adoption with First Nation families. All legislative and Court of Queen's Bench requirements are being met, while honouring aboriginal values, traditions and customs. The adoptions are open and respect the child's birth family and heritage. During the 2001-02 period the program resulted in ten children being placed in adoptive homes with another five planned for 2002. This target has been exceeded. A manual on the private adoption process to assist First Nations children was produced for First Nations agencies.

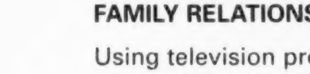
FOSTER CARE REVIEW

In 2001-02, basic maintenance fees for foster parents were increased by 10 per cent as a cost of living increase. The foster care program is currently being reviewed.

Provide at-risk children and youth with early support opportunities, including mentoring.

BEING THERE FOR YOUTH IN CARE

All youth, including youth in care, desire relationships with caring adults. Many youth in care and at risk who have made successful transitions to independence were able to identify one caring adult that 'believed in them'. With this in mind, the ministry has set about a plan to support: building relationships



with caring adults (i.e. child welfare workers and community mentors); stable placements, (i.e. transitional supports for foster care families with youth and independent housing options); the extension of transitional supports for youth past 18 years of age through innovative community supports, and support for processes to influence community attitudes towards youth.

Based on these recommendations, mentoring will be a key focus in the upcoming year and, strategies for youth in transition to adulthood will become part of the cross-ministry Alberta Children and Youth Initiative (ACYI) in 2002-03.

SOMEONE TO LOOK UP TO

Alberta Children's Services is also working in partnerships to increase mentoring opportunities for children and youth. A senior department manager was seconded to Big Brothers/Big Sisters to help with the development and implementation of a community-based, province-wide, mentoring work plan. To date, a provincial business plan has been developed with local initiative development scheduled for spring and fall 2002. It is expected this initiative will increase and coordinate mentoring resources across the province, increase the number of new mentors in Alberta and create public awareness about the benefits of mentoring relationships for children and youth. As well, the initiative will coordinate and provide training for staff and volunteers, build strategic partnerships to advocate for mentoring, increase informal mentoring resources across the province and develop provincial data on the effectiveness of mentoring and how it is most effectively delivered.

Outcomes & Performance Measures

Outcome:

Children in out-of-home placements stay connected to their family and community

Performance Measure:

Percentage of children, in out-of-home placements, who maintain contact with families, or relatives where appropriate

Overall, children who maintain contact with their families or relatives will be better off emotionally, spiritually, mentally and socially. Maintaining family contact will help support stable, nurturing environments for children. For this measure, children in out-of-home placements means children in Child and Family Services Authority foster homes. Contact with families and relatives is included. Families and relatives include parents, siblings, grandparents, and/or aunts/uncles/cousins. Family contact also includes situations where two siblings are placed together. Contact includes face-to-face, telephone, and written contact that has occurred within the last year.

The result for this measure is taken from information collected during a child welfare file review project[2] conducted from July to November 2001. Data reflects results from a pilot of three regions, Calgary Rocky View, Ma'mõwe, and West Yellowhead, consisting of a sample of 507 out of 1458 files. The three regions in the pilot serve mainly urban communities and include both Edmonton and Calgary. This is the first year that data was collected for the measure; therefore, the result is considered the baseline for this measure. For the 3.6 per cent of children whose files did not

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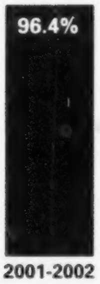
[2] For methodology, see appendix "Performance Measures: Data Sources & Methodology".

Children, in out-of-home placements, who maintain contact with families or relatives where appropriate

Target: new measure; baseline data under development



Data Source:
Monitoring Database / Child Protection Files
Alberta Children's Services

indicate family contact, there may have been family contact but it was not documented on file.

Although this outcome and measure emphasize service quality, the ministry's 2002-05 business plan will address outcomes and measures that are more client-focused. Therefore, this measure will not be included in the 2002-05 Ministry Business Plan.

Outcome:

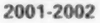
Aboriginal children in out-of-home placements stay connected to their family and community

Performance Measure:

Percentage of aboriginal children, in out-of-home placements, who maintain contact with families, relatives or communities where appropriate

Aboriginal children, in out-of-home placements, who maintain contact with families, relatives or communities where appropriate

Target: new measure; baseline data under development



Data Source:
Monitoring Database / Child Protection Files
Alberta Children's Services

Overall, children who maintain contact with their families or relatives will be better off emotionally, spiritually, mentally and socially. Maintaining family contact will help support stable, nurturing environments for children. For this measure, children in out-of-home placements means children in Child and Family Services Authority foster homes. Contact with families and relatives includes contact with parents, siblings, grandparents, and/or aunts/uncles/cousins. Family contact also includes situations where two siblings are placed together. Contact with communities means contact with significant others and includes adult friend, peer friend, teacher, volunteers, and Aboriginal/Métis community member. Contact includes face-to-face, telephone, and written contact that has occurred within the last year.

The result for this measure is taken from information collected during a child welfare file review project[3] conducted from July to November 2001. Data reflects results from a pilot of three regions, Calgary Rocky View, Ma'mōwe, and West Yellowhead, consisting of a sample of 231 out of 648 files. The three regions in

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[3] For methodology, see appendix "Performance Measures: Data Sources & Methodology".

the pilot serve mainly urban communities and include both Edmonton and Calgary. This is the first year that data was collected for the measure; therefore, the result is considered the baseline for this measure. For the 2.0 per cent of children whose files did not indicate family/significant other contact, there may have been family/significant other contact but it was not documented on file.

Although this outcome and measure emphasize service quality, the Ministry's 2002-05 business plan will address outcomes and measures that are more client-focused. Therefore, this measure will not be included in the 2002-05 Ministry Business Plan.

Outcome:

Children in care have stability in their lives

Performance Measure:

Percentage of children residing in a stable, long-term arrangement

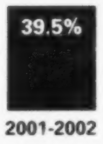
Children need to be placed in stable environments as soon as possible to promote a healthy environment for the child, and one that will promote the meeting of developmental milestones. A major objective of the ministry is having children who are under provincial guardianship placed in stable, long-term living arrangements.

The 2001-04 Business Plan identified the "percentage of children residing in a stable, long-term arrangement within 12 months of Permanent Guardianship Order" as a performance measure. For the purposes of reporting on this measure and to make it comparable to future results, the ministry is reporting the percentage of children residing in a stable, long term arrangement. This measure is reported in three components, all reflecting movement toward more stable living arrangements for children under provincial guardianship.

(a) Percentage of children newborn to age 11 under permanent guardianship, whose permanency plan is adoption, who were placed for adoption. Children in this age group have the highest potential for adoption. Children included were those under permanent guardianship as of April 1, 2001. This component of the measure changed in 2001-02 to better reflect the situation that adoption is not the permanency plan for all children. The 2001-02 result provides a baseline for comparison with future years.

Children, newborn to age 11, under permanent guardianship, whose permanency plan is adoption, who were placed for adoption[4]

Target: new measure; baseline data under development



Data Source:
Child Welfare Information System, Children's Files - Service Plans and Information Consolidation, Adoption Registration and Re-Union System, and Adoption Services Data
Alberta Children's Services

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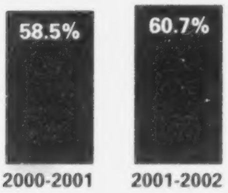
[4] This component of the measure now looks at children, newborn to age 11, under permanent guardianship, who have a permanency plan of adoption and who were placed for adoption as a percentage of all children, newborn to age 11, under permanent guardianship, with a permanency plan of adoption. In 2000-01, this component of the measure looks at all children under permanent guardianship who were adopted as a percentage of all children under permanent guardianship.

Children who exited foster care, group care and residential care by either returning to parental care, placement with significant other, placement with extended family, placement in independent living or placement in supported independent living

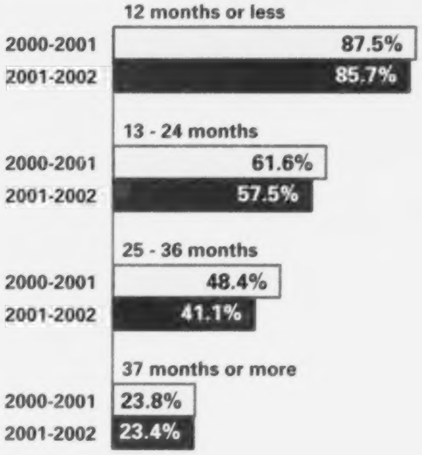


Data Source:
Child Welfare Information System
Alberta Children's Services

(b) Percentage of all children who were in foster care, group care and residential care and who left foster care, group care and residential care by either returning to parental care, placement with significant other, placement with extended family, placement in independent living, or placement in supported independent living. For 2001-02, results are to provide a baseline; however, data was collected in 2000-01 and can be used for comparison. An increase of about 2 per cent occurred between 2000-01 and 2001-02. This increase reflects a greater awareness and increased effort by staff in achieving stability and permanence for children in care while at the same time dealing with crisis situations and keeping children safe.

(c) Of children in care whose file closed in 2001-02, the percentage of children who had no more than three placements while the case was open. This data will be broken down by cases open for 0-12 months, 13-24 months, 25-36 months, and 37+ months. For 2001-02, results are to provide a baseline; however, data was collected in 2000-01 and can be used for comparison.

Children in care whose file closed in the year, who had no more than 3 placements while the case was open



Data Source:
Child Welfare Information System
Alberta Children's Services

2,015 people trained in the use of the *Protection Against Family Violence Act.*

Projected deficit was aggressively reduced.

Core Business Two

Keeping children, youth and families safe and protected.

Major improvements made to PCHIP legislation and safehouses.

Youth in Transition Policy Framework developed.

Protect Alberta children from abuse and neglect

CONTINUE TO DEVELOP AND ENHANCE PROTECTION AND PREVENTION SERVICES

2.1.2 Continue to develop and implement a risk assessment and reduction strategy.

2.1.3 Evaluate the implementation of new Provincial Standards for service delivery for CFSAs.

2.1.4 Ensure services in treatment and prevention for the protection of children as defined under the Protection of Children Involved in Prostitution Act. Initiate a review of the Child Welfare Act

SUPPORT THE CAPACITY OF FIRST NATIONS TO DELIVER SERVICES TO ABORIGINAL CHILDREN

2.1.1 Support the capacity of First Nations and Métis Settlements to deliver protection services and develop and use appropriate performance measures and standards for children in care.

Continue to develop and enhance protection and prevention services.

SETTING NEW STANDARDS

Over the past year, the Alberta Children's Services continued to employ a risk assessment and reduction strategy with the ultimate aim of reducing child abuse and promoting the well-being of families. Inquests into tragic child deaths have highlighted the need for a solid framework to support effective risk assessment. To this end Child and Family Services Authorities (CFSA's) received training on safety and risk assessment tools. This training has been ongoing at the request of the CFSA's and the risk reduction component continues to be planned to determine how it can best support the Alberta Response Model. These models fit under the investigative stream of the differential response component. As of March 31, 2002, 11 CFSA's were trained to use the risk assessment tool. As well, new provincial standards for service delivery were implemented and monitored across the province. The process was evaluated and minor revisions to the standards were made on the basis of this evaluation.

> Children involved in prostitution now have access to drug, alcohol and psychological counselling along with educational supports that will help them stabilize, recover and eventually leave prostitution.

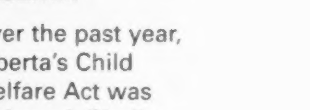
PROTECTING CHILDREN INVOLVED IN PROSTITUTION

To support changes to the Protection of Children Involved in Prostitution (PCHIP) legislation proclaimed in March 2001, major improvements were made to safe houses in Edmonton, Calgary and Lethbridge. Children involved in prostitution now have access to drug, alcohol and psychological counselling along with educational supports that will help them stabilize, recover and eventually leave prostitution.

To increase public awareness of the issues surrounding the sexual exploitation of children in Alberta, a communications strategy was developed.

SETTING A NEW COURSE FOR CHILD WELFARE IN ALBERTA

Over the past year, Alberta's Child Welfare Act was reviewed. Similar legislation in other jurisdictions across Canada and internationally were examined and compared. As well, community consultations were undertaken. Verbal and written submissions were received from individuals, agencies and groups from across Alberta. A second level of consultations is underway with a limited number of identified stakeholders from across the province.



Support the capacity of First Nations to deliver services for aboriginal children.

A PLAN TO SUCCEED

Alberta is committed to working in partnership with aboriginal communities and is dedicated to protecting the culture of First Nations and Métis people and promoting the future of aboriginal children. In this respect, it is important that First Nations and Métis communities have the resources to deliver the services their children need, in a way that holds true to their culture. New Child Welfare Agreements were negotiated with four First Nation Agencies to help them develop and deliver services under their own Child Welfare Act. This included the first agreement in Alberta that authorized a First Nation to deliver services to aboriginal children living off reserve. Over the past year, the ministry supported the Blood First Nation, to help them develop their ability to deliver services under their own Child Welfare Act.

A priority and fundamental activity of the ministry is to keep children free from abuse and neglect while receiving child protection services.

With the objective of developing other First Nations Agencies, workshops on accountability processes were given to individual First Nations. As well, a governance-training package tailored to First Nation Agency Boards was tested in the Northwest. The package consisted of a practically oriented workshop and printed material that enabled the Little Red River Cree Nation Child and Family Services Board to reflect on governance functions, principles, structures and roles and adapt them to their own situation and needs. This has provided a base for further training in 2002-03 with other boards in the Northwest and Northeast. The goal is to promote Board development in other First Nation Agencies.

Over the past year, the ministry also worked with Treaty 7 representatives to develop performance measures/standards.

The ministry continues to work in partnership with the Social Services sector advisor, under the terms of the Alberta Métis Framework Agreement by jointly addressing Métis children and family matters and developing strategies designed to meet the needs of Métis children through policy, practice and legislative changes.

Outcomes & Performance Measures

Outcome:

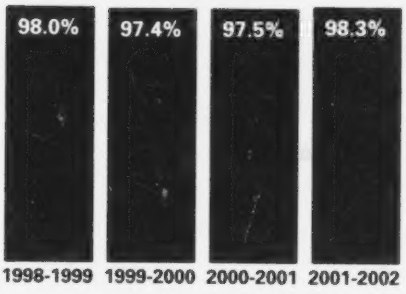
Children in care stay free from abuse and neglect

Performance Measure:

Percentage of children who stay free of abuse or neglect while receiving child protection services

Children who stay free of abuse or neglect while receiving child protection services

Target: 100%



Data Source:
Child Welfare Information System Manual verification[5]
Alberta Children's Services

A priority and fundamental activity of the ministry is to keep children free from abuse and neglect while receiving child protection services. This performance measure has been reported on for a number of years. For 2001-02, the method of reporting has been enhanced to improve accuracy.

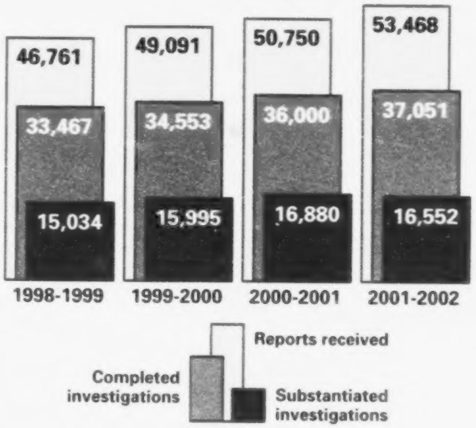
The 2001-04 Business Plan set a target of 100 per cent for this measure. There will be circumstances, however, where it is beyond the control of Children's Services to keep children from being abused or neglected. The percentage of children who remain safe from abuse or neglect while receiving child protection services is 98.3 per cent.

Supplemental Measure:

Reported, investigated and substantiated incidence of child abuse and neglect

The ministry responds to reports from community members about children who might need protection. Staff investigate to determine whether a child needs protection. If the child's guardian cannot or will not protect the child, staff provide services that make sure the child is protected. In the graph below, 'reports received' represent reports where protective services under the *Child Welfare Act* are needed. Completed investigations are the number of incidences where the report led to a full investigation being completed. 'Substantiated investigations' represent the number of completed investigations where an incidence of neglect or abuse was found.

Reported, investigated and substantiated incidences of child abuse and neglect



Data Scurce:
Child Welfare Information System
Alberta Children's Services

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[5] In 2001-02, the methodology for collecting data for this measure was changed. An additional manual verification of Child Welfare Information System data was introduced to enhance the accuracy of this measure. Validation questionnaires were sent to Child and Family Services Authorities and to Delegated First Nations Agencies to verify data from the Child Welfare Information System.

If the child's guardian cannot or will not protect the child, staff provide services that make sure the child is protected.

Outcome:

Increased coordination of services to families and children involved in prostitution

Performance Measure:

Percentage of service providers reporting improved collaboration and coordination of services related to children involved in prostitution

Greater coordination and collaboration of service providers is critical to improving effectiveness of services to children involved in prostitution. Results for this measure were to be based on a survey evaluation of the *Protection of Children Involved in Prostitution Act* (PCHIP) service providers. Due to expenditure realignment, this evaluation did not occur in 2001-02 but is planned for 2002-03.

A focus will be incorporated into the planned evaluation to assess the extent and nature of collaboration and coordination of services related to children involved in prostitution. Given the trends and changing needs identified through front-line PCHIP service delivery, input will be obtained to develop a comprehensive analysis of not only the status quo but also future needs for collaboration and coordination of relevant services to children involved in prostitution.

This measure focuses more on service-related outcomes rather than client outcomes and will not be included in the Ministry Business Plan for 2002-05. To better focus on long-term outcomes for children receiving services under PCHIP, a new measure will be included in the 2002-05 ministry business plan.

Outcome:

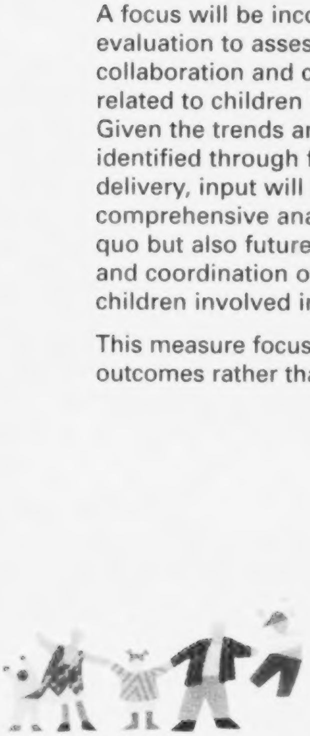
Increased awareness by stakeholders that child prostitution is child sexual abuse

Performance Measure:

Percentage of respondents to a public awareness survey who indicate they are aware of activities undertaken by the ministry and its partners to address issues affecting children involved in prostitution.

Through a public awareness survey, this measure was to establish baseline data on the extent to which the public see child prostitution as child sexual abuse and are aware of the programs/activities undertaken by the ministry and its partners.

The ministry was not able to conduct a public awareness survey in 2001-02 due to expenditure realignment. This measure focuses more on service-related outcomes rather than client outcomes and will not be included in the ministry business plan for 2002-05. To better focus on long-term outcomes for children receiving services under PCHIP, a new measure will be included in the 2002-05 Ministry Business Plan.



GOAL 2.2

Reduce family violence and address impact on children, youth and families.

INCREASE AWARENESS OF FAMILY VIOLENCE, AND DEVELOP APPROPRIATE TREATMENT SERVICES FOR BOTH VICTIMS AND PERPETRATORS OF VIOLENCE

2.2.1 Increase education and awareness of service providers, stakeholders and the public on the Protection Against Family Violence Act at the local level.

2.2.2 Work in partnership to develop and implement treatment programs through the CFSAs for perpetrators and victims of family violence, and for children who witness family violence.

2.2.3 Enhance current initiatives for the prevention and treatment of elder abuse.

2.2.4 Provide support to on-reserve agencies in reducing family violence.

Increase awareness of family violence and develop appropriate treatment services for both victims and perpetrators of violence.

HELPING FAMILIES MOVE FORWARD

In order to help all parties involved and affected by family violence, the ministry committed over the past year to increase education and awareness of the *Protection Against Family Violence Act*. To date, 2,015 people across Alberta have been trained in the use of the *Protection Against Family Violence Act* — 1,230 of those are police, 500 people in the community and 285 child welfare workers.

As well, Alberta Children's Services created an Interdepartmental Committee to develop a Provincial Treatment Framework to help perpetrators and victims of family violence. The treatment mandate will be assigned to Alberta Health and Wellness (Alberta Mental Health Board). The provincial Early Childhood Development strategy will include shelter staff who work with children to support and appropriately respond to children who witness family violence.

Outcomes & Performance Measures

Outcome:

Albertans can access appropriate family violence services when needed.

Performance Measure:

Number of Child and Family Services Authorities that have implemented a training plan to operationalize the *Prevention Against Family Violence Act.*

With increased knowledge of the new *Prevention Against Family Violence Act* (PAFVA), staff and partners in local communities will be able to provide better response and service to those in need. The extent of Child and Family Services Authorities (CFSAs) implementing their training plans to implement PAFVA is a measure of the authorities' commitment to developing accessibility of appropriate family violence services to Albertans in need.

PAFVA is an Alberta law that protects all family members – seniors, women, men, children from family violence. Under this Act, three forms of protection are provided: emergency protection order to protect family violence victims in an immediate sense; Queen's Bench protection order to provide additional conditions and/or longer term protection for up to a year with allowance for extension; and warrant permitting entry to allow police to enter premises to investigate and ensure safety from family violence.

Between April 1, 2000 and March 31, 2002, 12 of the 18 CFSAs have offered the 2-day Prevention Against Family Violence Training for their service-delivery staff (Data source: Government of Alberta IMAGIS – Children's Services Human Resources Training and Administrative component). This total represents 10 CFSAs in 2000-01 and two CFSAs in 2001-02. This result provides baseline data. The training was provided in support of the implementation of the PAFVA.

In the ministry's move towards focusing on client outcomes, this measure will not be included in the 2002-05 Ministry Business Plan. For the 2002-05 plan, a measure of the impact of services on clients will be developed.

GOAL 2

Continually improve the quality of services for children and youth and the competencies of care providers.

BUILD PROGRAM AND PERFORMANCE EVALUATION INTO THE DELIVERY AND CONTINUOUS IMPROVEMENT OF SERVICE

2.3.2 Improve the ministry's capacity to coordinate, support and review program evaluations and to use the results in the continuous improvement of services.

2.3.3 Support the development of continuous improvement in child protection services with First Nations delegated agencies.

2.3.4 Continue to improve Child Welfare services through special case reviews and follow up on fatality inquiry recommendations.

2.3.8 Evaluate and monitor performance of ministry entities.

CONTINUE TO ENHANCE INFORMATION RESOURCES

2.3.9 Collaborate with ministry partners to develop valuable and useful financial information.

2.3.10 Develop information systems and human resource strategies that support effective delivery and management of services.

THEME: IMPROVE THE QUALITY OF IN CARE, AND FAMILY-BASED SERVICES TO CHILDREN AND YOUTH

2.3.1 Ensure that children, youth and families receive services that support their well-being including programs which increase the capacity of parents to care effectively for their children.

2.3.5 Incorporate recommendations from the Youth Secretariat to develop early intervention services to youth in care.

2.3.6 Respond to recommendations from the Youth secretariat to improve services to youth in care.

2.3.7 Implement competency-based training model for child protection workers.

Build program and performance evaluation into the delivery and continuous improvement of services.

TAKING A LONG HARD LOOK

In an ongoing effort to improve its ability to deliver effective services, the ministry continues to evaluate its programs and monitor its standards. In 2001-02, a new performance management information system (PERFORM) was developed for core programs that will integrate data sources across the regions and the department, and enable the ministry to consolidate and centrally coordinate their performance management. This will help program managers monitor and track ongoing program performance, identify evaluation issues, involve program managers in the process of program review, and support the process of coordinating and conducting evaluations. To date, developmental work has focused on child care. Work is underway to incorporate Child welfare into the PERFORM system. The ministry is also doing extensive work with the Child and Family Services Authorities to develop core measures for standardized services.

The Social Care Facilities Review Committee (SCFRC) conducts legislated reviews and investigations of complaints regarding provincially funded social care facilities. A review involves meeting with each facility's service recipients, their families or guardians, and service providers to obtain feedback about the services provided and determine satisfaction with those services. From April 1, 2001 to March 31, 2002, the committee reviewed a total of 60 facilities including 44 foster homes, nine child and youth care facilities and seven women's shelters.

As well, First Nations Liaison Unit managers continue to provide support to the First Nations delegated services. New tools are being developed to allow for comparison between performance and evaluation outcomes of services delivered by First Nation child welfare agencies and those of the Child and Family Services Authorities.

REVIEWING TRAGIC CASES

The death of a child is tragic. When the ministry is involved with a child and that child dies, the ministry conducts a review of the circumstances surrounding the death. These Special Case Reviews consider the child protection services and supports that were received by the child and family prior to the death. Over the past year, nine Special Case Reviews were conducted, two of which had a high media profile. Since 1998, 110 recommendations have been made as a result of these reviews. To date, 75 of these recommendations have been fully implemented.

Continue to enhance financial and human resource information through the effective use of information technology.

SUPPORTING BUSINESS DECISION MAKING

In order to make more informed decisions, Alberta Children's Services developed a financial practice review that uses program cost and caseload information to provide data for review every month. The ministry also supported the CFSAs in gathering information on the implementation of expenditure management strategies. To this end, a projected deficit was aggressively reduced.

Alberta Corporate Support Centre agreed to provide rollout services for the stand-alone computer sites, which will result in considerable savings for the ministry.

As part of the ministry's commitment to improve the financial mechanisms used to support the 18 regions, the ministry established an auditing process for the reimbursement of services provided to First Nations and transfer of expenses under the Inter-Authority Protocol. Review is ongoing.

MANAGING INFORMATION AND HUMAN RESOURCES

In the interest of developing information systems and human resource strategies that support effective delivery and management of services, the ministry developed a Human Resource (HR) Plan that identified HR issues and risks impacting the ministry, addressed human resource management priorities and supported the requirements of the Corporate Human Resource Plan, while allowing flexibility for individual approaches. In the last year, the first phase of a Child Welfare Information System redesign to develop and implement the Placement Resource project was completed.

As well, a Ministry Information Technology (IT) plan was developed that links to, and supports, the Corporate IT strategy. Workstations were upgraded to Windows 2000, a Government of Alberta corporate standard, to reduce costs. Alberta Corporate Services Centre agreed to provide rollout services for the stand-alone computer sites, which will result in considerable savings for the ministry.

FOCUSING ON ABORIGINAL NEEDS

The ministry continues to focus on the needs of aboriginal people in its human resources planning. Over the past year, Alberta Children's Services developed an Internet website to support the recruitment and retention of aboriginal staff. As a result of its participation in the Prairie Child Welfare Initiative (PWCI), 'Honouring the Voices' symposium, the ministry was able to identify formal education and job readiness, particularly for First Nation communities. Based on the results of this symposium, the PWCI has begun planning to address the gaps identified across the Prairie Provinces.

Alberta Children's Services also supported a two-day Beyond the Basics 2001 Conference that provided training to 340 front-line child welfare workers. The conference gave participants the opportunity to foster close ties with colleagues across the province and feedback indicated that the conference was both rejuvenating and informative.

Improve the quality of care and family-based services to children and youth.

DEVELOPING AND DELIVERING A NEW LEVEL OF SERVICE

To ensure the level of service provided to Alberta's children and youth continues to improve, the ministry developed a policy framework and a strategy to deliver Early

Childhood Development (ECD) services more effectively while reviewing current ECD initiatives and investments. Children's Services continues to provide support for parents in their efforts to be effective caregivers, in families where children are potentially at risk. As well, a mentoring and bursary project for youth in care was initiated over the past year in response to the Youth Secretariat Report on Youth in Care. Extensive research was done on other similar projects in Canada and internationally and an assessment on projects currently in place was completed with recommendations for establishing pilot projects for mentoring youth in care in a variety of settings in the upcoming year. Partnering with an existing grant authorizing organization to deliver the bursary for youth in care is being explored.

HELPING YOUTH MAKE THE TRANSITION

The ministry developed a Youth in Transition Policy Framework to guide cross-ministry policies, strategies and outcomes for youth ages 13 to 24 in making successful transitions to adulthood. The ministry is also reviewing services to youth through the *Child Welfare Act* legislation review.

IMPROVING FUNDING FOR CHILDREN IN NEED

In April 2001, Alberta Children's Services assumed delivery responsibility for the Child Financial Support (CFS) Program (previously called the Child In Need Program through Alberta Human Resources and Employment). The program promotes stable, longer-term relationships for children who are being cared for by adult caregivers who are not their parents. It supports caregivers who are offering an alternative out-of-home placement option. By providing the children with medical coverage for dental, prescriptions, vision, ambulance, and essential diabetic supplies it offsets some of the costs associated with the care.

In 2001-02, the program served 2,055 children and maintained an average monthly caseload size of 1,417 children with an investment of $3.3 million. An average of 357 aboriginal children received CFS benefits each month.

A NEW TRAINING MODEL

A priority focus for Children's Services in 2001-02 was the execution of a strategy for the design and delivery of competency-based mandatory child protection training. A new competency model is being developed, along with a performance framework for all employees that support the new competencies. These competencies will form the foundation of a mandatory training model.

Outcomes & Performance Measures

Outcome:

Competent and skilled caregivers are available to provide safe environments for children and youth

Performance Measure:

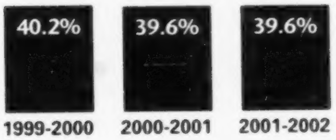
Percentage of day care staff with level 2 or 3 training credentials

Persons with appropriate training are better able to provide healthy and safe environments for children in their care. This measure shows the percentage of day care staff with advanced levels of post secondary Early Childhood Education (ECE) training.

A person with Level 2 training credentials has completed: (a) a one-year Early Childhood Education Certificate program offered by an Alberta public college, or an equivalent level of

Day care staff with level 2 or 3 training credentials

Target: new measure; baseline data under development.



Data Source:
Child Care Information System
Alberta Children's Services

training; or (b) a four-year Bachelor of Elementary Education from a recognized post-secondary institution. A person with Level 3 training credentials has completed: (a) a two-year Early Childhood Education Diploma program offered by an Alberta public college, or an equivalent level of training; or (b) a four-year Bachelor of Education majoring in Early Childhood Education.

In Alberta, the Day Care Regulation requires that one in every four staff (25 per cent) have at least level 2 training credentials. The results indicate that in 2001-02, 39.6 per cent of all staff actively working with children in Alberta day care centres have at least level 2 or 3 training credentials. Data was collected for the last three years to provide a baseline. The results indicate a constant percentage of day care staff with advanced levels of post secondary ECE training.

Although this outcome and measure emphasize service quality, the ministry's 2002-05 business plan will address outcomes and measures that are more client-focused. Therefore, this measure will not be included in the 2002-05 Ministry Business Plan.

Performance Measure:

Percentage of foster parents who complete the mandatory level of training

An outcome for the ministry is competent and skilled caregivers are available to provide safe environments for children and youth. Mandatory foster parent training ensures a level of practical and value-based competency and skills common for foster parents, thereby contributing to the provision of safe environments for children and youth in care.

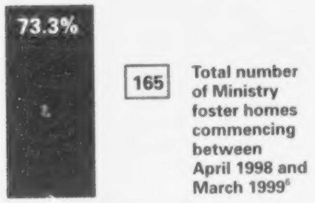
Foster parents include: (1) ministry foster parents associated with the 18 Child and Family Services Authorities (CFSAs), (2) those of agency foster homes – i.e., homes under foster care programs of private/non-profit agencies, and (3) First Nations foster homes. For purposes of reporting on this measure, only ministry foster parents were taken into account. Training of agency and First Nations foster parents and records of their training are managed by their employers relatively autonomous to Children's Services. Agency foster parent training is, however, required and guided by standards developed by the Alberta Association of Services to Children and Families (AASCF). Comprehensive training data for agency and First Nations foster parents is currently not available.

The mandatory level of training for foster parents refers to the 45 hour Approved Classification Core Training Course. Ministry foster parents are required to have completed this training course by the end of the second year of their officially becoming "accepted" ministry foster parents. Achievement of the mandatory training is recorded on the Child Welfare Information System (CWIS) as the foster home having been assigned "approved" status.

Factors that affect completion rate for foster parent mandatory level of training include: competing multiple priorities for foster parents, availability of the lone foster parent for training in a single-parent foster home situation or of only one of two people for training in a two-parent foster home situation, and accessibility/availability of training courses in rural settings.

Foster parents who complete the mandatory level of training

Target: 100%



Data Source:
Child Welfare Information System
Alberta Children's Services

Note:
Percentage represents the percentage of Ministry foster homes commencing between April 1998 and March 1999 with status change to "approved" by March 2001

Although this outcome and measure emphasize service quality, the ministry's 2002-05 business plan will address outcomes and measures that are more client-focused. Therefore, this measure will not be included in the 2002-05 ministry business plan.

Performance Measure:

Percentage of residential care staff who meet the certification standards

Persons with appropriate training are better able to provide healthy and safe environments for children in their care.

Residential care programs include group care and emergency placement services for young children. Residential care facilities include group homes, intensive treatment group homes, and secure treatment facilities. Each year, a number of residential care programs, either delivered by the Child and Family Services Authorities or by agencies, are reviewed for certification or re-certification through the Alberta Association of Services to Children and Families (AASCF). All residential care programs are reviewed every four years. These programs are reviewed against a number of requirements or standards, including standards for staff education and training. The standards focus on the safety of children and can be found on the AASCF website at www.aascf.com. To be certified/re-certified, a residential care program must meet all certification standards, including staffing standards.

This measure was intended to reflect the outcome "competent and skilled caregivers are available to provide safe environments for children and youth". However, measuring the proportion of staff who meet the certification standards is not an accurate indicator of residential care programs in compliance with standards and therefore, the measure is not being reported. To be certified/recertified, a residential care program must always meet 100 per cent of the certification standards, including standards for staff education and training. In the event a residential care program is not compliant with any standard, a decision is made by the Child Welfare Certification & Accreditation Board (CWCAB) to either defer certification until a standard meets 100 per cent compliance, or to deny certification altogether. The AASCF reported 27 of the 59 residential programs reviewed in 2001-02 were found to be non-compliant in staff education and training. Each program was deferred until it was 100 per cent compliant in meeting the standard.

Although this outcome and measure emphasize service quality, the ministry's 2002-05 business plan will address outcomes and measures that are more client-focused. Therefore, this measure will not be included in the 2002-05 Ministry Business Plan.

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[6] This measure focuses on ministry foster parents who commenced as "accepted" homes between April 1998 and March 1999 and remained open as foster homes two years later in March 2001. The focus on this group is an effort to optimize data on mandatory level of training completion within 2 years of the individual becoming a ministry foster parent. Using the foster parent group who commenced a year later would likely lend incomplete data due to late entry of training data beyond March 2002.

The Child
and Family
Services Act is
reviewed.

Alberta's
Great Kids continue
to grow.

Core Business Three

Promoting healthy
communities for children,
youth and families.

Ministry hosts
second Children's
Forum.

Workshops
given with leading
child psychologist
Dr. Fraser
Mustard.

To support communities to plan, design and deliver services appropriate to their children, youth and families.

BUILDING RELATIONSHIPS AND WORKING WITH COMMUNITIES AND COMMUNITY PARTNERS

3.1.1 Continue to build and maintain working relationships with community partners and community-based service agencies through the Child and Family Services Authorities and Family and Community Support Services.

3.1.2 Continue to work with other ministries and entities to improve culturally appropriate services to aboriginal children, youth and families.

3.1.3 Continue to provide program and enhanced financial support to Family and Community Support Services.

3.1.4 Continue to participate in the development and implementation of the Family and Community Support Services measures project. Complete a Statutory Review of the *Child and Family Services Authority Act*

Building Relationships and working with communities and community partners.

WORKING TOWARD THE SAME GOAL

In 2001-02, the Ministry of Children's Services established an accountability framework to clearly state the performance expectations of its 18 regions. Boards within the regions were also provided with guidelines for follow-up orientation and training. As well, a working group was established to put consistent performance management processes into practice in all regions.

Initiatives under the umbrella of Alberta Children and Youth Initiative (ACYI) have strengthened partnerships throughout the province among the CFSAs, Family and Community Support Services (FCSS), local school divisions, Mental Health, and the Regional Health Authorities. For example, extensive community partnerships have been established in each region to provide collaborative home visitation services to high-risk families. FCSS is a major partner in the implementation of the Alberta Response Model which is built on strong community-based partnerships.

A prevention committee was established between Family and Community Support Services (FCSS) and Child and Family Services Authorities (CFSA's) to facilitate regional dialogue among the partners, provide strategic direction and guidance for prevention and early intervention initiatives including Early Childhood Development. In addition, links have been established to increase FCSS participation in the the ministry business planning process and understand the ministry plans on programs better. In 2001-02, a total of $42.3 million was allocated to Family and Community Support Services in 282 municipalities and Métis Settlements to support 188 programs.

IMPROVING CULTURALLY APPROPRIATE SERVICES

Through the Aboriginal Policy Initiative (API) and others, the ministry worked over the past year to improve culturally appropriate services and further the prosperity to aboriginal children, youth and families. Alberta Children's Services broke new ground in developing and delivering services to children living off-reserve by First Nation Agencies. (See Cross Ministry Initiatives for details)

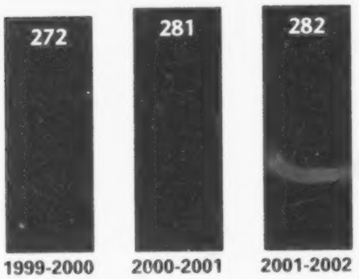
As well, an FCSS database has been developed to respond to requests on FCSS program reporting from both the ministry and the community. The first FCSS Program Overview will be available based on the information provided through the 2000 FCSS Annual Report.

MAKING A DIFFERENCE TOGETHER

An advisory committee of FCSS staff, board members and Alberta Children's Services staff were brought together to oversee the development of the FCSS *Making a Difference* project which was tried in seven communities in 2001-02. Committee recommendations from results of these trials were approved by the Family and Community Support Services Association of Alberta Annual General Meeting in November 2001 and will continue to serve as the basis for implementation over the next three years. Over 200 people in the FCSS community have been trained in an outcome based accountability model that helps to determine what services to provide, how best to provide them and what the outcomes will be.

Municipalities participating in Family and Community Support Services

Target: Maintain or increase number of municipalities participating in Family and Community Support Services



Data Source:
Family and Community Support Services database
Alberta Children's Services

REVIEW AND AMENDMENTS

In 2001-02, a review of the *Child and Family and Services Authorities Act* was completed and a report was tabled in the Legislature in May 2001. The recommended amendments to the Act were introduced in the Spring 2002 session of the Legislature; were passed; and came into force on May 14, 2002. The amendments include the clarification of the governance role of the boards and their accountability to the minister.

Outcomes & Performance Measures

Outcome:

Communities have increased capacity to develop and deliver prevention and early intervention programs and services

Performance Measure:

Number of municipalities participating in Family and Community Support Services

One way of supporting the outcome of increasing community capacity to develop and deliver prevention and early intervention programs and services is through agreements between the municipal and provincial governments through the *Family and Community Support Services Act and Conditional Agreement Regulation.* This measure indicates the level of participation of the municipalities in Family and Community Support Services and hence, the commitment and potential capacity of communities to deliver prevention services to children and families.

As of March 31, 2002, the number of municipalities participating in Family and Community Support Services increased by one. The 282 participating municipalities represent approximately 98 per cent of Alberta's population. To move towards continuous improvement of outcome measures, this measure will not be carried forward. Rather, in the 2002-05 Ministry Business Plan, a new measure that focuses on communities' ability to meet needs of children and families will be developed.

Performance Measure:

Number and dollar value of early intervention programs operating under Child and Family Services Authorities (CFSA) and First Nations on-reserve

An outcome for the ministry is communities have increased capacity to develop and deliver prevention and early intervention programs and services. This measure provides information on the resources being applied province-wide to early intervention initiatives.

For the purpose of reporting on this performance measure, early intervention programs under Child and Families Services Authorities are those identified as "Early Intervention Services" for the ministry as a whole in financial records for the period of April 1, 2001 to March 31, 2002 (adjusted to separate out First Nations on-reserve early intervention and to include Home Visitation

and Fetal Alcohol Initiatives). This takes into consideration all of the 18 CFSAs.

Early intervention programs under First Nations on-reserve refers to the Provincial Program as identified as "Early Intervention On-Reserve Resources" in financial records for the period of April 1, 2001 to March 31, 2002.

Early Intervention Services

In 2001-02, Early Intervention Services expenditures approximate $30 million ($29,137,000) (Data Source: Government of Alberta IMAGIS). These services include the diversities of contracted programs, projects and innovative initiatives across 18 CFSAs addressing familial, parental and children's needs and issues with the common view of developing and strengthening coping and developmental capacities of family and children at risk. Two major initiatives under which Early Intervention Services were implemented were Home Visitation and Fetal Alcohol Syndrome Initiative.

An outcome for the ministry is communities have increased capacity to develop and deliver prevention and early intervention programs and services.

Early Intervention On-Reserve Resources

In 2001-02, more than $1.6 million ($1,678,000) was expended for early intervention on reserve. This represents early intervention spending for various First Nation programs as indicated in Expenditure Distribution data. (Data Source: Government of Alberta IMAGIS)

For 2001-02, the number of early intervention programs operating under Child and Family Services Authorities (CFSA) and First Nations on-reserve, is not available for reporting. This is due, in part, to different ways of financially coding work related to intervening early to address at-risk situations for families and children. Additionally, early intervention expenditure records do not provide a breakdown of early intervention programs/services offered on contract with local community agencies. A financial coding system for early intervention programming will be implemented for 2002-03 to enhance coding for better financial information. Planning is also in progress to implement a better contract management system that will capture more information on early intervention programs at the community level.

Although this measure provides information about the resources applied to early intervention, it will not be included in the 2002-05 Ministry Business Plan as it does not sufficiently qualify community capacity in meeting the needs of children and families. In moving towards continuous improvement of outcome measures, the 2002-05 Ministry Business Plan will include a measure that focuses on a community's ability to meet needs of children and families.

GOAL 3.2

Support aboriginal people to plan, design, implement, monitor and evaluate services in consultation with their communities.

WORK WITH THE ABORIGINAL COMMUNITIES TO DEVELOP THEIR CAPACITY TO DELIVER SERVICES

3.2.1 Work with First Nations and Métis Leadership, communities and organizations and other ministries to develop the capacity of First Nations and Métis communities (Aboriginal Policy Initiative, Strengthening Relationships)

3.2.2 Support and collaborate with Child Welfare delegated First Nations Agencies to develop a performance measurement framework.

3.2.3 Support operations and governance capacity building for First Nations Agencies with delegated authority for child welfare, through the development and implementation of joint strategic workplans.

3.2.4 Continue to support the Alberta/Métis Framework Agreement Social Services Sub-Committee through joint planning and action.

3.2.5 Support the development of a culturally effective training model for First Nations delegate agencies.

3.2.6 Jointly develop and implement strategies to assist in establishing aboriginal people as leaders in the design and delivery of initiatives for their children and families

Work with aboriginal communities to help develop their capacity.

Work continues in support of aboriginal people to design and lead their own initiatives such as the Bigstone Permanency Planning Project which reconnects children with their biological and extended families.

STRENGTHENING FIRST NATIONS SERVICES

Over the past year, the ministry continued to work with First Nations governments to develop their capacity to deliver and monitor child welfare services. Workshops related to accountability were given to individual First Nations and the ministry developed a performance measures framework and worked jointly with Siksika and other Treaty 7 First Nations agencies on developing measures specific to the Treaty.

The ministry also worked closely with the newly delegated First Nations authorities, Western Cree, Athabasca Tribunal Council, and Peigan, to develop their capacity to govern, and supported agencies facing governance and operational challenges, such as Stoney, Kasohkowew and AKO. The ministry provided consultation, guidance to newly operational First Nations Agencies to assist their agencies in developing and implementing appropriate policy and plans.

Work continues in support of aboriginal people to design and lead their own initiatives such as the Bigstone Permanency Planning Project which reconnects children with their biological and extended families. Children have been successfully placed with family through adoption or permanent guardianship agreement.

TRAINING FOR TOMORROW

In 2001-02, the ministry improved its Child Protection Service (CPS) training to be more culturally sensitive by developing the First Nation Extended Faculty that allowed for the involvement of First Nations Child and Family Agencies directly in Child Protection Service training. Using northern professional resources, four weeks of CPS training were provided by the Faculty to Slave Lake First Nations' staff. CPS training was also given to Northern Alberta First Nations Child and Family Services Agencies using First Nations members as co-trainers in training sessions held in Slave Lake.

Once this training was completed, Alberta Children's Services First Nations Directors/supervisors submitted documentation to be approved as extended faculty. Once this process was approved the new faculty members were given one week of CPS training in Edmonton and then asked to co-train with Trish Smith at the CPS north training in Slave Lake.

DEVELOPING LEADERSHIP

Through partnership with the Interprovincial Association of Native Employment, Children's Services developed an Aboriginal Role Model Directory aimed at providing aboriginal youth with role models from their communities who tell their career journeys while promoting messages on believing in oneself and staying in school.

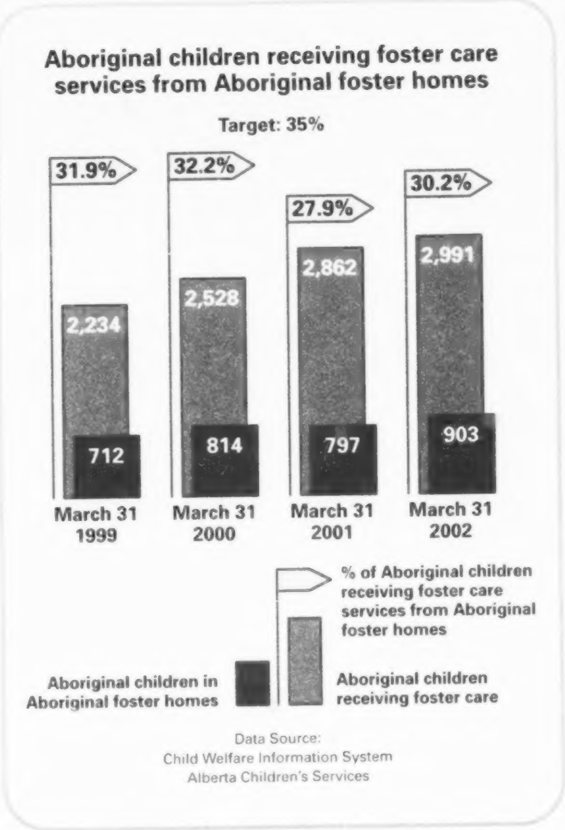
Outcomes & Performance Measures

Outcome:

Aboriginal children, youth and families receive services appropriate to their culture

Performance Measure:

Percentage of aboriginal children receiving foster care services from aboriginal foster homes



Data Source:
Child Welfare Information System
Alberta Children's Services

This measure supports the outcome of delivering services to children that are appropriate to their culture, and the objective of improving services to aboriginal children.

As of March 31, 2002, the number of aboriginal children receiving foster care from aboriginal foster homes was 30.2 per cent. Although a higher percentage (2.3 per cent) than a year ago, this result falls 4.8 per cent below the 2001-02 target at 35 per cent. However, in comparison to March 31, 2001, the number of aboriginal children in foster homes increased by 129. In addition, the number of aboriginal children receiving foster care in aboriginal foster homes increased by 106.

The outcome of aboriginal children, youth and families receiving services appropriate to their culture will continue to be an outcome in the ministry's 2002-05 business plan. However, this measure will be replaced with a measure that addresses children in care reuniting with families or being placed in longer-term living arrangements.

Performance Measure:

Percentage of aboriginal board members in each Child and Family Services Authority relative to the percentage of aboriginal people in the Child and Family Services Authority's population

Child and Family Services Authority (CFSA) boards include significant aboriginal participation to help ensure that services delivered are appropriate to meet the needs of aboriginal children and families. This measure indicates how reflective board composition is of the aboriginal community.

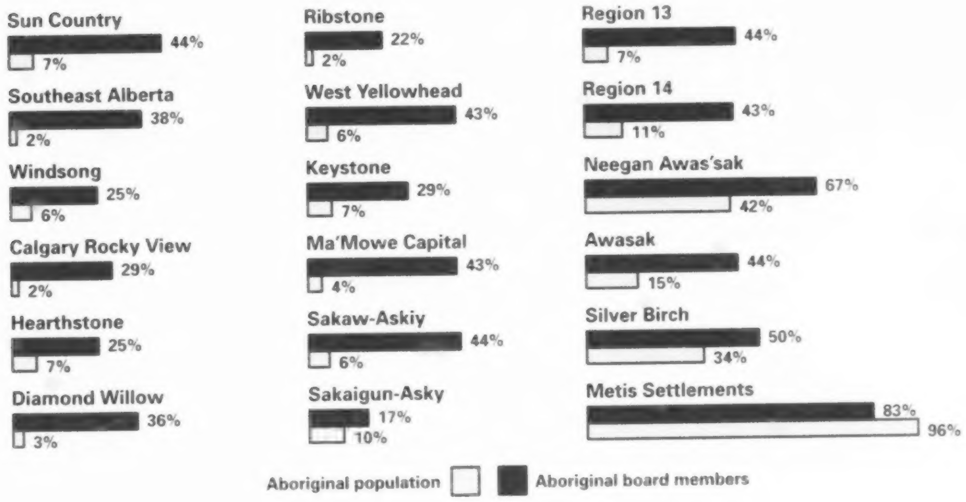
As of March 31, 2002, 39 per cent of all Child and Family Services Authorities board members were aboriginal. Aboriginal people represent 4.7 per cent of the total population of all Child and Family Services Authorities. The target for this measure is for aboriginal CFSA Board representation proportional to, or greater than, the regional aboriginal population. Results depicted by Child and Family Services Authority show that the target was met for 17 of the 18 regions. The target for Métis Settlements was not met. This may

be due to two reasons: (1) a non aboriginal member of the settlements was appointed to the Board; and, (2) there was one seat left vacant due to a lack of viable applicants. No further recruitment to fill this seat took place due to a hiring freeze.

The outcome of aboriginal children, youth and families receiving services appropriate to their culture will continue to be an outcome in the ministry's 2002-05 business plan. However, this measure will be replaced with a measure that addresses children in care reuniting with families or being placed in longer-term living arrangements.

Percentage of Aboriginal board members in each Child and Family Services Authority (CFSA) relative to the percentage of Aboriginal people in the Child and Family Services Authority's population

Target: Aboriginal CFSA board representation proportional to or greater than the regional Aboriginal population



Data Source:
Information on Aboriginal board members is compiled from board reappointment records and information contained in department files. It is updated whenever a change in a board member occurs.
Aboriginal population figures are from Statistics Canada, 1996 Census data, customized report.

GOAL 3.3

Increase public understanding and knowledge of issues affecting children, youth and families.

INCREASE PUBLIC AWARENESS OF CHILDREN'S ISSUES AND THE WORK OF THE MINISTRY

3.3.1 Support regular provincial forums and public discussion to work towards the well-being of children, youth and families.

3.3.2 Support increased knowledge of ministry partners and the public about the work of First Nations agencies, and the needs of aboriginal families, communities and service providers.

3.3.4 Strengthen the knowledge dissemination role of the ministry to ensure up to date research results are used in the service planning and shared with Albertans and community partners.

CONTINUE PARTICIPATION IN CROSS-GOVERNMENT CHILDREN'S INITIATIVES

3.3.3 Work with the Family and Community Support Services Association of Alberta to increase the profile of the work of the Municipal/Provincial partnership to address preventive social services issues and opportunities.

3.3.5 Continue to provide leadership in intergovernmental initiatives such as the National Children's Agenda and Early Childhood Development, which promote public understanding of issues affecting children, youth and families.

Increase public awareness of children's issues and the work of the ministry.

GETTING THE WORD OUT

This year, the ministry hosted the second Children's Forum. Chaired by Mrs. Colleen Klein, the event brought together over 1,000 community partners and stakeholders, including service providers, politicians, youth and parents to work together in identifying key issues and directions for Children's Services. As a result, 18 key areas of focus were identified to enhance the services provided to children, youth and families. A professional development day was held in conjunction with the Children's Forum, which provided an opportunity for ministry staff, CEO's, CFSA board members and partnering ministries to hear from a range of Canada's experts on children's issues.

> 18 key areas of focus were identified to enhance the services provided to children, youth and families.

In addition, numerous ministry and regional business planning sessions were held to increase participation in decision-making affecting the well-being of children and families. The business planning process was restructured to increase representation of ministry stakeholders, and the business plans at the ministry, department, and regional level were brought together under a common vision, core businesses and goals.

As well, all regions have received information and development sessions regarding the Alberta Response Model by senior officials and have access to regional support teams for ongoing best practice research information and analysis regarding activities under the Alberta Response umbrella.

GATHERING AND SHARING THE LATEST INFORMATION

Alberta Children's Services recognizes the importance of research in guiding informed decision making. The ministry works closely with its public and private partners with the goal of minimizing costs and increasing the efficiency of Children's Services' goals and core businesses. To this end, the ministry was involved in many activities that both gathered and shared the latest research information.

Children's Services worked with the Community University Partnership, including providing support to the Early Years: Building Local Connections conference, which provided researchers, practitioners, service providers and policy makers the opportunity to talk about what is needed to improve the health of children and families. Workshops with Dr. Fraser Mustard, an internationally recognized leader on early childhood development, were held for stakeholders from the CFSA's, First Nations and Métis communities, medical officers of health and community representatives.

Children's Services collaborated with Ma'mõwe Child and Family Services Authority and the University of Calgary, Faculty of Social Work to prepare bachelor level social work students for child welfare practice. The ministry also contributed to the government-wide environmental scanning process, providing a focus on child, youth and family issues. Children's Services participated in development of the Provincial Municipal Partnership on Poverty to examine issues and potential joint initiatives to improve outcomes for children and families. As well, Children's Services worked with the Alberta Science & Research Authority, all three Alberta research universities, other ministries and community partners to develop a proposal for a state-of-the-art Child, Family & Community Research Centre that will focus on policy and service relevant research and communication.

BRINGING ABORIGINAL ISSUES TO LIGHT

The ministry continued raising awareness of aboriginal issues through presentations, briefings to other ministries, and by involving ministry staff in public awareness discussions, such as the Child Welfare Act Review, the Aboriginal Policy Initiative and Suicide Prevention.

Joint meetings with the Northern CEO's and the First Nation Delegated Directors encouraged understanding of the challenges faced by First Nation communities and people. Orientation and Basic Training (OBT) was reworked to be more appropriate for First Nation Child Protection Staff, differences between First Nations Child Welfare Agencies and Child and Family Services Authorities were clarified and the roles of the First Nation Liaison Units were explained. Over the past year, Children's Services also met with all First Nations' child welfare directors and elders to discuss options for early intervention, and hosted a renowned child neurologist in a discussion on the essential focus on early childhood development and parenting supports.

Continue participation in cross-government children's initiatives.

A NATIONAL CONCERN

The National Child Benefit (NCB) is a joint federal/provincial/territorial initiative aimed at preventing child poverty and helping low-income families enter or stay in the work force. It builds on partnerships with the health and justice sectors and is consistent with Alberta's direction in supporting children, youth and families. In 2001-02, Children's Services supported this important initiative by providing input on a document focused on measuring and monitoring childhood well-being, conducting public consultations and assisting in the development of the public report.

The ministry helped produce a survey designed to help evaluate NCB initiatives in Alberta, along with a progress report on the *Protection of Children Involved in Prostitution* (PCHIP) Act; Child Care Subsidy & Transitional Supports for Youth Leaving Child Welfare; and, the provincial/territorial perspectives requested in the evaluation of the NCB initiative.

Children's Services along with Alberta Justice, hosted a roundtable discussion organized by the Department of Justice Canada on Child Victim and the Criminal Justice System. The focus of the session was to explore how criminal law reform can support provincial/territorial child protection measures.

Participants from all sectors across Alberta had the opportunity to discuss their concerns and identify areas for improvement. Based on discussions led by the ministry at the federal/provincial/territorial meetings, ministers of social services agreed to support joint sector initiatives between justice and social services to help children at risk of sexual exploitation or those already involved in the sex trade.

> Alberta Children's Services recognizes the importance of research in guiding informed decision making.

FIGHTING FOR CHILDREN'S RIGHTS ON THE WORLD STAGE.

The ministry also participated in the Canadian Strategy Against Commercial Exploitation of Children. Alberta Children's Services Minister worked closely with Senator Landon Pearson, Chair of the Federal Committee and Advisor on Children's Rights to the Minister of Foreign Affairs, in preparation for the Second World Congress Against the Commercial Sexual Exploitation of Children, held in Japan in December 2001.

DEVELOPING PROVINCE-WIDE SUPPORT.

In 2001-02, the Family and Community Support Services Program Advisory Team, consisting of members from the FCSS Association and ministry Staff, took on joint projects to support and develop FCSS provincially. These joint projects included the FCSS Resource Bank, FCSS Making a Difference Phase, The FCSS Visual Identity Project, Advocacy Survey and Resource Development Package and a strategy for increased FCSS funding.

Outcomes & Performance Measures

Outcome:

Increased awareness of the issues affecting children, youth and families

Performance Measure:

Percentage of respondents to a public awareness survey who indicate they are aware of issues facing children and youth, and activities undertaken by the ministry and its partners to address these issues

Through a public awareness survey, this measure was to establish baseline data on the extent to which the public understands and is aware of issues affecting children, youth and families.

The ministry was not able to conduct a public awareness survey in 2001-02 due to expenditure realignment. Outcomes to be included in the ministry's 2002-05 business plan will not focus on public awareness levels, thus this measure will be discontinued for next year.

GOAL 3.4

Increase the involvement of children, youth and families and community partners of the ministry in decision-making.

STRENGTHEN EXISTING STRUCTURES AND VENUES FOR COMMUNICATING THE VOICE OF CHILDREN AND YOUTH

3.4.1 Support of the Youth Secretariat as a mechanism through which issues affecting youth can be identified and addressed.

3.4.2 Encourage active, meaningful youth participation in ministry decision-making by establishing Youth Forums.

3.4.5 Continue to support the Office of the Children's Advocate by promoting its role and services.Continue support of Great Kids Awards Programs.

STRENGTHEN THE INVOLVEMENT OF COMMUNITY PARTNERS IN DECISION-MAKING

3.4.3 Strengthen the involvement of First Nations and Métis people in ministry policy development.

3.4.4 Develop partnerships/strategic alliances with corporations and philanthropic organizations.

3.4.6 Continue leadership of the Great Kids Awards Program.

> Last year, 16 outstanding young people received Great Kid Awards for the contributions they make to their family, school and/or community.

Strengthen existing structures and venues for communicating the voice of children and youth.

GREAT KIDS FOR A GREAT FUTURE

The Great Kids Awards are designed to honor and support special children and youth throughout Alberta who display leadership, selflessness and strong community spirit. They are the ministry's opportunity to honor the values and kindness of children and youth across the province. Last year, 16 outstanding young people received Great Kid Awards for the contributions they make to their family, school and/or community.

GIVING YOUTH A VOICE

The purpose of the Youth Secretariat is to help identify and address issues that impact youth at risk and, as part of this function, it has created the Youth Advisory Panel. The first of its kind in the Alberta Government, the panel is made up of 13 youth, ages 16 to 21, from around Alberta. Three of these young people recently received Great Kids Awards, five are aboriginal and five have had experience with the Child Welfare System. Other panel members bring experience with the justice system, addictions, Fetal Alcohol Syndrome, teen parenting and physical disabilities. This specialized panel continues to meet every second month and gives advice on government policy related to such issues as teen pregnancy, youth in transition, children's mental health, and school curriculum.

As well, the ministry created the "Your Choice Your Voice" Youth Forums Handbook to help youth share their ideas and action plans with government ministries, youth-serving organizations, and forum delegates.

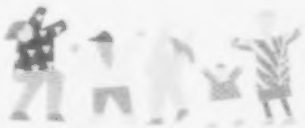
LOOKING BACK, MOVING FORWARD

In a continuing effort to improve its programs, a number of reviews were completed for Alberta Children's Services. The purpose of the reviews is to assist in the discussion of changes to the role of the Advocates Office in the context of the Child Welfare Review. The Advocates Office continues to review current business planning, financial targets and human resource processes and report to the minister.

Strengthen the involvement of community partners in decision-making.

INVOLVING FIRST NATIONS AND MÉTIS COMMUNITIES

In 2001-02, Alberta Children's Services was invited by all three First Nations Treaty areas to discuss Early Childhood Development issues and to discuss First Nations priorities for research. The ministry supported First Nations Social Policy Advisors from each area in their efforts to prepare Early Childhood Development strategies. The ministry also sponsored a special workshop with Dr. Fraser Mustard for First Nations, held in conjunction with the Children's Forum for bandleaders and service providers. Dr. Mustard is an internationally recognized leader on early childhood development.



RECRUITING SUPPORT FROM THE PRIVATE SECTOR.

To further the development of integrated services for Alberta's children and youth, Alberta Children's Services researched potential alliances with corporations. Relationships with past sponsors for programs such as Uniting For Children were examined for possible long-term dedication and sponsorship commitments. As well, the ministry continues to follow up on leads with other major corporations in Edmonton and Calgary, in the hopes that long-term relationships can be solidified.

Outcomes & Performance Measures

Outcome:

Children, youth and families have knowledge of the role and the services provided by the Children's Advocate

Performance Measure:

Percentage of respondents report awareness of services provided by the Office of the Children's Advocate

The Office of Children's Advocate is to provide children in care with a resource whose sole focus is the child. Children's Advocate serves to ensure that the child's opinion and interests are considered by those making decisions on his/her behalf and that the child's rights and/or entitlements are protected. Based on the mandate of the Office of Children's Advocate, it is important that children and youth in care are aware of the services of the Office of Children's Advocate and of how they appropriately and effectively access the Children's Advocate.

Results of this performance measure were to be based on a survey of public awareness of Children's Services programs and services. The survey did not occur in 2001-02 due to expenditure realignment. No survey is planned in 2002-03. Outcomes to be included in the ministry's 2002-05 business plan will not focus on public awareness levels, thus this measure will be discontinued for next year.

Outcome:

Children, youth and families receive services that are influenced by community input

Performance Measure:

Number of Child and Family Services Authorities who have a formal mechanism in place for community input and feedback

Community involvement in programs and services delivered by the Child and Family Services Authorities is an objective of the ministry. This measure assesses the extent to which each authority has established formal mechanisms to seek community input. Community input is defined as community stakeholder involvement in planning, development and/or assessment of services.

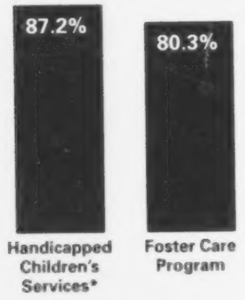
Data for this measure was not available at the time this report was prepared. Data will be contained in 2001-02 annual reports for each Child and Family Services Authority. As part of reporting on governance, each Child and Family Services Authority reports on the involvement of community stakeholders. The target for this measure is 100 per cent.

One aspect of community input is participation in service delivery decision-making. In 2000-01, community partners were surveyed to assess their opportunity for participation in service delivery decision-making. Sixty-six per cent of community partners were "somewhat satisfied" or "very satisfied" in response to the question "The CFSA provides your organization with opportunities for participation in service delivery decision making at the local level

(i.e. how services are delivered in your region?)". (Data source: Community Partners Survey, May 2001.)[7] A survey of community partners will again take place in 2002-03.

Survey respondents who access selected Ministry services that indicate that they participated in decisions that affect them

Target: new measure; baseline data under development



2000-2001

*Now called Resources for Children with Disabilities.
Data Source:
Handicapped Children's Services Survey, 2001
Foster Care Program Survey, 2001
Alberta Children's Services

Although this outcome and measure emphasize service delivery, the ministry's 2002-05 business plan will address outcomes and measures that are more client-focused. Therefore, this measure will not be included in the 2002-05 Ministry Business Plan.

Outcome:

Children, youth and families have opportunities to participate in decisions that affect them

Performance Measure:

Percentage of survey respondents who access selected ministry services that indicate that they participated in decisions that affect them

Consistent with a community-based service model and the objective of meeting the needs of the children and families being served, this measure assesses whether recipients of Ministry services are provided opportunities to participate in decisions that affect them. Data for this measure is from client surveys[8] of two program areas: Handicapped Children's Services (now called Resources for Children with Disabilities) and Foster Care. To reduce costs, these client surveys are conducted every two years. The surveys were conducted in 2000-01 and they will be conducted again in 2002-03. Results presented are based on surveys conducted in 2000-01. Surveys are conducted in cooperation with the Child and Family Services Authorities. To continuously improve upon outcome-focused measures, this measure will be adjusted in the 2002-05 Ministry Business Plan to focus on the perception of the programs' impact on families.

(1) Handicapped Children's Services (now called Resources for Children with Disabilities)

The result reported is in response to the question "Please indicate your degree of satisfaction with the following statement: I actively participated in decisions on services and benefits". The responses "very satisfied" and "somewhat satisfied" have been combined. This result is considered baseline data for future measurement.

(2) Foster Care Program

The result reported is in response to the question "Please state your degree of agreement with the following statement: I am an active participant in decisions related to the child in my care". The responses "strongly agree" and "agree" have been combined. This result is considered baseline data for future measurement.

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[7] For methodology, see appendix "Performance Measures: Data Sources & Methodology"

[8] For methodology, see appendix "Performance Measures: Data Sources & Methodology"

Results Highlights

SUPPORT EARLY INTERVENTION

Early Intervention programs were developed in line with the Alberta Response Model. As well the ministry provided support to 21 Early Intervention Programs on 17 reserves.

SUPPORT EARLY CHILDHOOD CARE AND EDUCATION

A mapping project in Calgary Rocky View region was undertaken to provide a clear picture of the readiness-to-learn of 2,800 Kindergarten children. The ministry also developed guidelines on playground and child environment safety for licensing and training, and delivered them to a majority of Alberta's Child and Family Service Authorities. The ministry approved proposals for Home Visitation in 11 more regions.

WORK IN PARTNERSHIP TO PROVIDE COORDINATED AND INTEGRATED SERVICES TO CHILDREN WITH DEVELOPMENTAL AND SPECIAL NEEDS

The ministry launched the 'baby bottles' campaign, raising awareness of the risks associated with prenatal alcohol exposure. The ministry also delivered programming province wide to help those already affected. An expert panel was established to better address the needs of children with autism and Mental Health Services have been improved.

PROVIDE QUALITY SERVICES TO PROMOTE THE WELL-BEING OF ALL CHILDREN

Alberta's Early Childhood Development Strategy was developed to build on existing initiatives. As well, the ministry helped Child and Family Services Authorities to develop initiatives that honor the cultural and spiritual needs of aboriginal children. A Youth in Transition framework was developed to improve consistency of policy across all ministries and a mentoring and bursary project was initiated. A Community Response Team was developed in Calgary to better respond to crisis and a leading neurologist, specializing in the treatment of traumatized children was recruited as medical director of Children's Mental Health for the Alberta Mental Health Board.

DEVELOP AND STRENGTHEN PERMANENCY PLACEMENT INITIATIVES

Adoption of children with special needs increased by ten per cent and 11 Big Stone Cree Nation children have permanently been placed. The Wednesday's Child television programs aided in placing 75 per cent of the children with special needs featured on the program. An open custom adoption program became fully operational this year and was successful in placing ten First Nation children with First Nations families with another five already planned for next year.

PROVIDE AT-RISK CHILDREN AND YOUTH WITH EARLY SUPPORT OPPORTUNITIES, INCLUDING MENTORING

Mentoring resources are being increased and improved across the province.

CONTINUE TO DEVELOP AND ENHANCE PROTECTION AND PREVENTION SERVICES

A risk assessment and reduction strategy was developed and training is ongoing. The Protection of Children Involved in Prostitution legislation was strengthened and improvements were made to safe houses in Edmonton, Calgary and Lethbridge. Awareness of child prostitution was increased through public service announcements.

> The Children's Services also assumed responsibility for the Child Financial Support Program which supports stable, longer-term relationships for children who are being cared for by adults who are not their parents.

SUPPORT THE CAPACITY OF FIRST NATIONS TO DELIVER SERVICES FOR ABORIGINAL CHILDREN

New Child Welfare Service Agreements were negotiated with four First Nations Agencies to develop and deliver services under their own *Child Welfare Act*.

INCREASE AWARENESS OF FAMILY VIOLENCE AND DEVELOP APPROPRIATE TREATMENT SERVICES FOR BOTH VICTIMS AND PERPETRATORS OF VIOLENCE

Over the past year, 2,015 people were trained in the *Protection Against Family Violence Act* – 1,230 of those were police, 500 were people within the community and 285 were child welfare workers.

BUILD PROGRAM AND PERFORMANCE EVALUATION INTO THE DELIVERY AND CONTINUOUS IMPROVEMENT OF SERVICE

A new performance management system was developed that will integrate data from across all regions and will allow the ministry to coordinate its performance management.

CONTINUE TO ENHANCE FINANCIAL AND HUMAN RESOURCE INFORMATION THROUGH THE EFFECTIVE USE OF INFORMATION TECHNOLOGY

A financial practice review was developed that uses cost and caseload information to provide information for review every month. The ministry also supported the Child and Family Services Authorities in their expenditure management strategies. The ministry and the regional authorities jointly developed a process that resulted in successful management of in-year cost pressures, and meeting all fiscal targets without the need of in-year funding as in previous years. The regions worked hard on maintaining core services within certain set financial targets. The success in managing the budget was mainly due to administrative efficiency strategies, and using innovative ways to control the historical growth in Child Welfare caseload. A Ministry Information Technology Plan was developed to support the Corporate IT strategy. The system is set to roll out in 2002 to Human Resources and Employment and Persons with Developmental Disabilities to reduce costs for their shared sites.

IMPROVE THE QUALITY OF CARE AND FAMILY-BASED SERVICES TO CHILDREN AND YOUTH

The ministry developed a policy framework and strategy to deliver Early Childhood Development services more effectively. The Children's Services also assumed responsibility for the Child Financial Support Program which supports stable, longer-term relationships for children who are being cared for by adults who are not their parents. The program provided medical coverage to 2,055 children and maintained an average monthly caseload size of 1,417 children.

BUILDING RELATIONSHIPS AND WORKING WITH COMMUNITIES AND COMMUNITY PARTNERS

The ministry established an accountability framework with performance expectations for its 18 regions. Alberta Children and Youth Initiatives strengthened partnerships throughout the province and the ministry led a federal, provincial and territorial ECD initiative by establishing a Ministry Prevention Committee. Through the Aboriginal Policy Initiative, new ground was broken in developing and delivering services to First Nations children living off reserve.

WORK WITH ABORIGINAL COMMUNITIES TO HELP DEVELOP THEIR CAPACITY

Workshops related to accountability were given to First Nations and the ministry worked closely with First Nations authorities to develop their capacity to govern. The ministry also improved its Child Protection Service training to be more culturally sensitive. Through partnership, the ministry developed an Aboriginal Role Model Directory.

INCREASE PUBLIC AWARENESS OF CHILDREN'S ISSUES AND THE WORK OF THE MINISTRY

The ministry hosted the second Children's Forum bringing together 1,000 community partners and stakeholders. Eighteen key areas were identified to enhance services to children, youth and families. The ministry also held workshops featuring Dr. Fraser Mustard, an internationally recognized leader on early childhood development. Alberta Children's Services also continued to raise awareness of aboriginal issues through briefings to other ministries, presentations and by involving ministry staff in public awareness discussions.

CONTINUE PARTICIPATION IN CROSS-GOVERNMENT CHILDREN'S INITIATIVES

The ministry took a leadership role and continued to call for the Federal government to announce a plan for its Aboriginal Early Childhood Development Initiative. The ministry also helped to evaluate National Child Benefit initiatives in Alberta – including the Protection of Children Involved in Prostitution Act and Child Care Subsidy & Transitional Supports for Youth Leaving Welfare. Alberta Children's Services also participated in the Canadian Strategy Against Commercial Exploitation of Children.

STRENGTHEN EXISTING STRUCTURES AND VENUES FOR COMMUNICATING THE VOICE OF CHILDREN AND YOUTH

Last year, 16 Great Kids Awards were given out to outstanding young people to acknowledge the contributions they make to their family, school and/or community. The Youth Advisory Panel broadened its influence by providing advice to other government departments. The panel consists of 13 youth, ages 16 to 21, and meets every second month to give advice to the government on issues such as teen pregnancy, youth in transition, children's mental health and school curriculum. The ministry created a "Your Choice Your Voice" Youth Forums Handbook.

STRENGTHEN THE INVOLVEMENT OF COMMUNITY PARTNERS IN DECISION-MAKING

The ministry supported First Nations Social Policy Advisors in their efforts to prepare Early Childhood Development strategies and sponsored a special workshop for First Nations with Dr. Fraser Mustard.

Financial Analysis

RESULTS OF OPERATIONS

Consolidated revenues in 2001-02 were $134 million, approximately $ 13 million higher than in the previous year. Annual spending increased by over $55.2 million from 2000-2001. This came about through a budgeted increase to the ministry's base budget.

REVENUES

Total consolidated revenues increased by 10.6 per cent or $12.9 million from the previous year. This increase in revenue is attributable to the Government of Canada reinstating a portion of previously reduced Canada Health and Social Transfer payments and to the recovery of increased costs for services to First Nation clients resident on reserves.

EXPENSES

In general, the increases in spending are linked to a growth in the average monthly caseload for 2001-02, and to an increase in the cost per case for children with disabilities. At the same time, the Ministry continued to focus on investment into proactive or educational programs such as home visitation for new parents, permanency planning and fetal-alcohol syndrome.

The following overview provides a high level discussion of significant expenditure variances in the ministry.

Comparison of 2001-02 Budget to 2001-02 Actuals

SUMMARY:

The ministry is reporting total expenses that are $7.4 million below the authorized spending level. The unexpended budget resulted from the implementation of expenditure management strategies.

Effective expenditure management also enabled the ministry to eliminate previously existing accrued deficits, which collectively totaled $3.2 million, in a number of authorities. As a result, all 18 authorities reported, from a net asset/liability (equity) point of view, accumulated net assets (surpluses) at March 31, 2002 of $8.5 million.

Over $400,000 of a supplementary estimate, which was provided for additional costs related to the teacher's dispute, was allowed to lapse as our actual costs were only $67,000. These funds lapsed as the teachers' dispute did not go on for a significant period of time and, in a number of areas in the province, teachers were either still under contract or decided not to suspend classes.

- **Ministry Support Services** reported a budget surplus of $945,000 as a result of expenditure management initiatives.
- **Services for Children and Families** shows a net budget surplus of $9.7 million. More specifically, the net budget surplus reflects the following:
  - $25.2 million in Early Intervention budget dollars had to be re-directed to address cost pressures in Child Welfare and the Children with Disabilities (Resources for Children with Disabilities)program areas.
  - The $17.4 million budget over-expenditure in the Child Welfare program resulted from the cumulative increase in the average monthly number of cases for the past year. In addition, the actual cost per case was almost 2 per cent higher than last year.

- Children with Disabilities (Resources for Children with Disabilities) required additional funding of $8.3 million to address an increase in the average cost per case (12 per cent).
- Day Care costs were $8 million below budget due to an improved provincial economy. Eligible Day Care subsidy recipients decreased by 1,057 from the prior fiscal year.
- The $1.4 million budget under-expenditure reported in the Protection of Children Involved in Prostitution program occurred as a result of the implementation of expenditure management strategies, including the postponement of some newly planned programs.

Comparison of 2001-02 Actuals to 2000-01 Actuals

- **Ministry Support Services** increased by $709,000 from the previous year. This increase consists of increased manpower costs stemming from salary adjustments across Government and increased information technology costs in conjunction with various computer system enhancements or developments.
- Expenditures for **Services for Children and Families** increased by $46.9 million. The majority of this increase is directly related to caseload growth and increases in the cost per case from the previous year.
- The increase in **Family and Community Support Services** expenses of $4.4 million reflects an increase of $4.8 million in the 2001-02 program budget relative to the 2000-01 budget.

Child Welfare Programs*	Increased spending of $27.5 million occurred due to an average monthly caseload growth of 4.6 per cent and a 1.8 per cent cost per case increase from the previous year.
Children with Disabilities	$7.9 million increased spending due to an average cost per case increase of 12 per cent and a 2% increase in average caseloads.
Early Intervention (includes Fetal Alcohol Initiatives)	$4.0 million increase for Early Childhood Development and related initiatives to support healthy pregnancies and births, and mentoring for parents with "born at risk" babies and young children.
Day Care	$4.3 million decrease in subsidy payments as a result of a 1,057 reduction in eligible recipients. The decrease in accounts is attributed to an improved provincial economy.
Protection of Children Involved in Prostitution*	Decreased spending of $1.2 million occurred as a result of the implementation of expenditure management strategies which included the postponement of some newly planned programs.

* The 2000-2001 audited financial statements included the Financial Benefits for Children in Need ($2.9 million) and Protection of Children Involved in Prostitution ($3 million) programs in Child Welfare. The variances for Services for Children and Families are therefore calculated on a comparative basis.

Comparison of 2001-02 Expenses by Core Business

Core Business	2001-2002 Budget ($000)	2001-2002 Actuals ($000)	2000-2001 Actuals ($000)
1. Promoting the development and well-being of children, youth and families.	234,345	231,122	211,702
2. Keeping children, youth and families safe and protected.	323,652	319,201	292,380
3. Promoting healthy communities for children, youth and families.	89,601	88,368	80,944
TOTAL MINISTRY EXPENSE	**647,598**	**638,691**	**585,026**

Comparison of 2001-02 Budget to 2001-02 Actuals

- Actual spending for core business 1 was $3 million less than budget due to lower spending in Day Care and Early Intervention.
- Actual expenses for core business 2 were $4.5 million less than budget due to lower than budgeted actual expenses in Day Care and Protection of Children Involved in Prostitution.
- The pressures in Child Welfare and Children with Disabilities necessitated the redirection of budgeted Early Childhood Development dollars from core business 3 to core businesses 1 and 2.

Comparison of 2001-02 Actuals to 2000-01 Actuals

- The increase of $19 million in actual spending in core business 1 over the previous year resulted from increased Children with Disabilities costs coupled with rising caseload and average costs per case in the latter program.
- The increase of $27 million in actual spending on core business 2 over the previous year resulted from the 4.6% increase in the average number of Child Welfare cases and the almost 2% increase in the cost per case.
- Spending on core business 3 decreased by $7.5 million from 2000-01. The Ministry increased funding for Family and Community Support Services by $4.8 million to support program requirements and adjust for increases in population.

Opportunities and Challenges

The Alberta Response Model.

In the 2001-02 fiscal year, the ministry made a commitment to implement the Alberta Response Model, which will have a significant impact on child welfare services and community support services. It calls for the implementation of differential response case management, stronger community-based partnerships, increased permanency planning, increased parental responsibility and evaluation of child-centered outcomes.

The Alberta Response Model is expected to improve supports and services and improve outcomes for children, youth and families who come into contact with child welfare services. It is also anticipated to decrease child welfare caseload growth.

Many opportunities are generated by the Alberta Response Model including:

- Alberta's national leadership role in the area of child welfare evolution and transformation;
- Enhancing community-based collations with Family and Community Support Services and other community-based partnerships;
- Adaptation of the National Outcomes Matrix for children, youth and families;
- Developing strong linkages with quality assurance initiatives;
- Implementing differential response case management, a well research best practice; and
- Transforming permanency planning to ensure children and youth thrive in a safe, caring and nurturing environment.

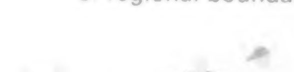
The Alberta Response Model faces some challenges including possible re-configuration of regional boundaries that may focus resources on structural rather than systems change; working with communities that have a lesser capacity to support diversion and differential response case management; and ensuring First Nations can participate in this transformation despite some systemic barriers presented by federal funding policies.

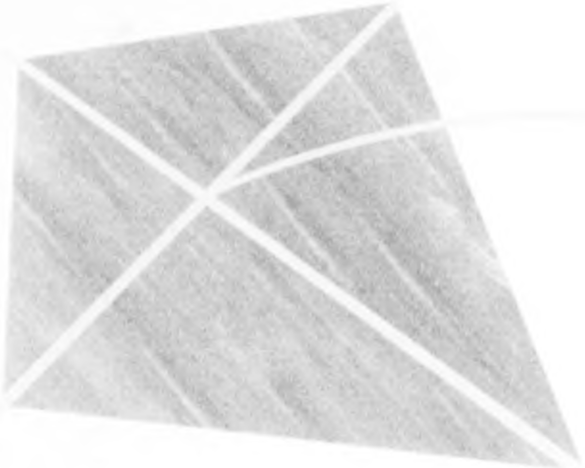
Expenditure Management Strategies.

The 2001-02 budget year saw the development of expenditure management strategies, and the establishment of a system-wide approach toward ensuring the ministry met its fiscal targets. The Financial Practice Review has continued to be refined to support the regional authorities in their management of funds and allowing authorities to review management practices that contribute to spending pressures. It is anticipated these systems of fiscal accountability will be further refined and extended in the coming year.

The Child Welfare Act Review.

The Child Welfare Act Review is continuing to progress. Throughout the months of October to April 2002, a consultation process was completed which involved over 140 meetings across Alberta. Over 600 submissions expressing comments and recommendations were received form individuals, groups and organizations. These submissions will continue to be relied on throughout the next year in the development and implementation of standards, regulations and policy that will impact philosophy and practice. In 2003, changes will also be introduced to the legislation. The ministry will be challenged to make the necessary changes to the child welfare program to support the goals of the new legislation.





Financial Statements

Ministry of Children's Services

Consolidated Financial Statements

For the year ended March 31, 2002

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AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Legislative Assembly

I have audited the consolidated statement of financial position of the Ministry of Children's Services as at March 31, 2002 and the consolidated statements of operations and changes in financial position for the year then ended. These consolidated financial statements are the responsibility of the management of the Department. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Ministry of Children's Services as at March 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn
CA
Auditor General

Edmonton, Alberta
May 23, 2002

Consolidated Statement of Operations

For the year ended March 31, 2002

	(In thousands)		
	2002		2001
	Budget (Schedule 3)	Actual	Actual
Revenues (Schedule 1)			
Transfers from Government of Canada	$ 108,518	$ 120,657	$ 110,194
Internal Government Transfers	1,200	1,200	1,200
Other	8,996	12,119	9,691
	118,714	133,976	121,085
Expenses			
Voted (Schedules 2, 3 and 4)			
Ministry Support	15,989	14,635	13,926
Services for Children and Families	588,218	578,980	532,124
Family and Community Support Services	42,641	42,240	37,864
	646,848	635,855	583,914
Statutory			
Valuation Adjustments			
Vacation Pay		2,655	846
Doubtful Accounts		181	266
	750	2,836	1,112
Total Expenses	647,598	638,691	585,026
Net Operating Results	$ (528,884)	$ (504,715)	$ (463,941)

The accompanying notes and schedules are part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at March 31, 2002

	(In thousands)	
	2002	2001
Assets		
Cash	$ 21,439	$ 15,194
Accounts Receivable (Note 3)	17,025	19,819
Advances	429	556
Capital Assets (Note 4)	2,025	1,516
	$ 40,918	$ 37,085
Liabilities		
Unearned Revenue	$ 121	$ 18
Accounts Payable and Accrued Liabilities	50,455	34,627
	50,576	34,645
Net Liabilities		
Net Assets (Liabilities) at Beginning of Year	2,440	(24,045)
Net Operating Results	(504,715)	(463,941)
Net Transfer from General Revenues	492,617	490,426
Net Assets (Liabilities) at End of Year	(9,658)	2,440
	$ 40,918	$ 37,085

The accompanying notes and schedules are part of these consolidated financial statements.

Consolidated Statement of Changes in Financial Position

For the year ended March 31, 2002

	(In thousands) 2002	2001
Operating Transactions		
Net Operating Results	$ (504,715)	$ (463,941)
Non-Cash Items		
Amortization of Capital Assets	1,024	825
Valuation Adjustments	2,836	1,112
	(500,855)	(462,004)
Decrease in Accounts Receivable[a]	2,613	3,509
Decrease in Advances	127	4
Increase in Unearned Revenue	103	17
Increase (Decrease) in Accounts Payable[a]	13,173	(14,676)
Cash Used by Operating Transactions	(484,839)	(473,150)
Investing Transactions		
Purchase of Capital Assets	(1,544)	-
Transfer of Capital Assets to (from) other Ministries (Note 4)	11	(2,312)
Cash Used by Investing Transactions	(1,533)	(2,312)
Financing Transactions		
Net Transfer from General Revenues	492,617	490,426
Cash Provided by Financing Transactions	492,617	490,426
Net Cash Provided	6,245	14,964
Cash, Beginning of Year	15,194	230
Cash, End of Year	$ 21,439	$ 15,194

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2002

NOTE 1 MINISTRY AND PURPOSE

The Ministry of Children's Services has been designated as responsible for various Acts by the Government Organization Act and its regulations. To fulfill these responsibilities, the Ministry consists of the organizations listed below.

Organization	Legislation
Department of Children's Services	*Government Organization Act*
18 Child and Family Services Authorities (CFSAs)	*Child and Family Services Authorities Act*

The Ministry provides community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by collaboration, partnerships and sharing resources.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Other authoritative pronouncements, accounting literature and published financial statements relating to either the public sector or analogous situations in the private sector, are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

(a) Reporting Entity

The reporting entity is the Ministry of Children's Services for which the Minister of Children's Services is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net transfer from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual method of accounting.

Monetary donations received from external sources are recorded as revenue when received.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd.)

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the Government's budget documents.

Directly incurred expenses include:
- amortization of capital assets,
- pension costs which comprise the cost of employer contributions for current service of employees during the year,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Incurred by Others

Services contributed by other entities in support of the Ministry's operations are disclosed in Schedule 6.

Assets

Financial assets of the Ministry are financial claims such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included. Capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. Only major enhancements of existing systems of $25,000 and over are capitalized.

Liabilities

Liabilities represent all financial claims payable by the Ministry at fiscal year end.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, accounts receivable, advances, and accounts payable and accrued liabilities are estimated to approximate their book values.

Net Assets/Liabilities

Net assets/liabilities represents the difference between the value of assets held by the Ministry and its liabilities.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd.)

Measurement Uncertainty

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

Accounts receivable recorded as $17,025 and accounts payable and accrued liabilities of $50,455 in these financial statements are subject to measurement uncertainty. These amounts have been estimated based on information available at the time these financial statements were produced.

NOTE 3 ACCOUNTS RECEIVABLE

(In thousands)

	2002			2001
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 14,458	$ 1,724	$ 12,734	$ 18,486
Refunds from Suppliers	4,291	-	4,291	1,333
	$ 18,749	$ 1,724	$ 17,025	$ 19,819

Accounts receivable are unsecured and non-interest bearing.

NOTE 4 CAPITAL ASSETS

(In thousands)

				2002	2001
	Estimated useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Vehicle	3 – 5 years	$ 89	$ 33	$ 56	$ 8
Computers/ Systems	5 – 10 years	11,809	9,840	1,969	1,508
		$ 11,898	$ 9,873	$ 2,025	$ 1,516

The Ministry's proportionate share in Ex-Claim ($11,000) as at April 1, 2001, was transferred to the Ministry of Innovation and Science during the year.

NOTE 5 COMMITMENTS

At March 31, 2002, the Ministry has the following commitments:

	(In thousands)			
	2002		2001	
Service contracts	$	4,448	$	4,556
Long-term leases[a]	$	2,205	$	2,263

(a) The Ministry leases certain equipment and vehicles under operating leases that expire at various dates to 2007. The aggregate amounts payable for the unexpired terms of these leases are as follows:

(In thousands)		
2003	$	940
2004	$	629
2005	$	366
2006	$	151
2007	$	119

NOTE 6 CONTINGENCIES (In thousands)

At March 31, 2002, the Ministry is a defendant in 76 claims (2001 - 63 legal claims). Sixty-six of these claims have specified amounts totaling $219,567 and the remaining ten have not specified any amount (2001 - 60 claims with a specified amount of $143,670 and three with no specified amount).

Included in the total legal claims are 46 claims amounting to $129,350 in which the Ministry has been jointly named with other entities. Forty-six claims amounting to $137,709 are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

NOTE 7 PAYMENTS UNDER AGREEMENTS (In thousands)

The Ministry has entered into various agreements to deliver programs and services that are fully funded by other entities. These agreements restrict the use of funds to the purpose set out in the agreement. Revenue is recognized as expenses are incurred. Excess funds received amounting to $3 (2001- $60) are included in accounts payable. Certain agreements require expenses to be incurred prior to receipt of the funds. Reimbursement for expenses incurred for which funds have not been received, in the amount of $1,006 (2001 - $1,300) are included in accounts receivable.

Notes to the Consolidated Financial Statements
For the year ended March 31, 2002

NOTE 7 PAYMENTS UNDER AGREEMENTS (In thousands) (cont'd.)

The full amounts of expenses allowable and spent under agreements with the program sponsors are as follows:

	2002	2001 (Restated)
Human Resources and Employment – Calgary Rocky View CFSA	$ 230	$ 230
Student Health Partnership - Calgary Rocky View CFSA	941	928
Community Development /PDD Board – Calgary Rocky View CFSA	1,120	500
Metis General Council, Justice Canada and Alberta Justice - Metis Settlements CFSA	276	211
Alberta Learning, and Alberta Health & Wellness - Ma'mowe Capital Region CFSA	1,534	794
Alberta Human Resources and Employment – Ma'mowe Capital Region CFSA	159	-
Justice Canada - Neegan Awas'sak CFSA	-	35
Ft. McMurray Public School Board - Awasak CFSA	275	264
Alberta Human Resources and Employment – Awasak CFSA	39	-
Elk Island School Division - Sakaigun Askiy CFSA	50	39
	$ 4,624	$ 3,001

NOTE 8 DEFINED BENEFIT PLANS (In thousands)

The Ministry participates in the multiemployer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multiemployer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $6,614 for the year ending March 31, 2002 (2001 - $5,674).

At December 31, 2001, the Management Employees Pension Plan reported a surplus of $5,338 (2000 - $170,858) and the Public Service Pension Plan reported a surplus of $320,487 (2000 - $635,084).

At December 31, 2001, the Supplementary Retirement Plan for Public Service Managers had a deficiency of $399 (2000 – surplus of $180).

The Ministry also participates in two multiemployer Long Term Disability Income Continuance Plans. At March 31, 2002, the Bargaining Unit Plan reported an actuarial deficiency of $8,646 (2001 - $12,710) and the Management Opted Out and Excluded Plan an actuarial deficiency of $2,656 (2001 - $4,583). The expense for these two plans is limited to the employer's annual contributions for the year.

NOTE 9 COMPARATIVE FIGURES

Certain 2001 figures have been reclassified to conform to the 2002 presentation.

NOTE 10 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Revenues
For the year ended March 31, 2002

SCHEDULE 1

	(In thousands) 2002 Budget	2002 Actual	2001 Actual
Transfers from Government of Canada			
Canada Health and Social Transfer	$ 88,642	$ 96,779	$ 93,248
Services to On-Reserve Status Indians	7,600	10,825	5,628
Child Welfare Special Allowance	12,276	13,053	11,318
	108,518	120,657	110,194
Internal Government Transfers			
Transfer from Lottery Fund	1,200	1,200	1,200
Other Revenue			
Refunds of Expenditure	6,250		
First Nation Agencies Recoveries		6,333	4,776
Other Refunds		2,299	1,902
Other	2,746	3,487	3,013
	8,996	12,119	9,691
Total Revenues	$ 118,714	$ 133,976	$ 121,085

Expenses - Directly Incurred Detailed by Object

For the year ended March 31, 2002

SCHEDULE 2

	(In thousands)		
	2002		2001
	Budget (a)	Actual	Actual
Voted:			
Salaries, Wages and Employee Benefits	$ 129,092	$ 138,655	$ 118,289
Supplies and Services	405,671	396,755	364,444
Grants	110,937	102,207	99,727
Supplies and Services from Support Service Arrangements with Related Parties[a]	-	1,120	500
Financial Transactions and Other	126	128	129
Amortization of Capital Assets	1,022	1,024	825
	646,848	639,889	583,914
Less: Recovery from Alberta Health and Wellness	-	(2,000)	-
Recovery from Alberta Human Resources and Employment	-	(2,034)	-
Total Voted Expenses	$ 646,848	$ 635,855	$ 583,914

(a) The Ministry received program services from the Ministry of Community Development (Persons with Developmental Disabilities Board).

Budget
For the year ended March 31, 2002

SCHEDULE 3

	(In thousands)			
	2001 -2002 Estimates	Adjustment (a)	Authorized Supplementary (b)	2001 - 2002 Authorized Budget
Revenues				
Transfer from Government of Canada	$ 108,518	$ -	$ -	$ 108,518
Internal Government Transfers	1,200	-	-	1,200
Other Revenue	8,996	-	-	8,996
	118,714	-	-	118,714
Expenses - Directly Incurred:				
Voted				
Ministry Support	15,989	(409)	-	15,580
Services to Children and Families	588,218	-	500	588,718
Family and Community Support Services	42,641	-	-	42,641
	646,848	(409)	500	646,939
Statutory				
Valuation Adjustments				
Vacation Pay				
Doubtful Accounts				
	750	-	-	750
Total Expenses	647,598	(409)	500	647,689
Net Operating Results	$ (528,884)	$ 409	$ (500)	$ (528,975)
Capital Investment	$ -	$ -	$ -	$ -

(a) The adjustment represents an encumbrance from 2000/2001.

(b) Supplementary Estimate of $500,000 was approved on March 14, 2002.

Comparison of Expenses - Directly Incurred by Element to Authorized Budget

For the year ended March 31, 2002

SCHEDULE 4

(In thousands)

	2001-2002 Estimates	Adjustment (a)	Authorized Supplementary (b)	2001-2002 Authorized Budget	2001-2002 Actual Expense	Unexpended (Over Expended)
Voted Expenses and Capital Investment:						
Ministry Support Services						
Minister's Office	$ 300	$ -	$ -	$ 300	$ 293	$ 7
Deputy Minister's Office	380	-	-	380	378	2
Office of the Children's Advocate	2,108	-	-	2,108	2,127	(19)
Partnership, Aboriginal Support, and Intergovernmental Relations	1,681	-	-	1,681	809	872
Accountability and Provincial Standards	359	-	-	359	298	61
Corporate Administration	11,161	(409)	-	10,752	10,730	22
	15,989	(409)	-	15,580	14,635	945
Services for Children and Families						
Program Support Services	47,956	-	500	48,456	48,609	(153)
Child Welfare	338,599	-	-	338,599	355,978	(17,379)
Children with Disabilities	55,106	-	-	55,106	63,437	(8,331)
Day Care	67,656	-	-	67,656	59,598	8,058
Early Intervention Services	53,172	-	-	53,172	27,983	25,189
Prevention of Family Violence	13,629	-	-	13,629	12,767	862
Protection of Children Involved in Prostitution	5,600	-	-	5,600	4,228	1,372
Financial Benefits for Children in Need	3,500	-	-	3,500	3,548	(48)
Fetal Alcohol Initiative	3,000	-	-	3,000	2,832	168
	588,218	-	500	588,718	578,980	9,738
Family and Community Support Services						
Program Support	337	-	-	337	194	143
Financial Assistance to Communities and Organizations	42,304	-	-	42,304	42,046	258
	42,641	-	-	42,641	42,240	401
Capital Investment	-	-	-	-	1,544	(1,544)
Total Voted Expenses	646,848	(409)	500	646,939	637,399	9,540
Statutory:						
Valuation Adjustments and Provisions	750	-	-	750	2,836	(2,086)
Total Expenses	$ 647,598	$ (409)	$ 500	$ 647,689	$ 640,235	$ 7,454

(a) The adjustment represents an encumbrance from 2000/2001.

(b) Supplementary Estimate of $500,000 was approved on March 14, 2002.

The Ministry has accrued achievement bonuses totalling $485,000 for its management and opted out employees. This amount has been allocated to the relevant programs.

Related Party Transactions
For the year ended March 31, 2002

SCHEDULE 5

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Ministry had the following transactions with related parties recorded at the amount of consideration agreed upon between the related parties:

	(In thousands)	
	2002	2001 (Restated)
Revenues:		
Internal Government Transfers	$ 1,200	$ 1,200
Recovery from Ministry of Community Development (PDD)	53	-
Recovery from Ministry of Human Resources and Employment	389	230
	$ 1,642	$ 1,430
Expenses:		
Ministry of Human Resources and Employment	$ 1,204	$ 16,178
Alberta Corporate Services Centre	15,426	-
Ministry of Innovation and Science	533	970
	$ 17,163	$ 17,148
Receivable from/(Payable to):		
Ministry of Human Resources and Employment	$ 57	$ 205
Capital Assets Transferred from Human Resources & Employment	$ -	$ 2,299
Capital Asset Transferred to Innovation and Science	11	-
	$ 11	$ 2,299

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service.

	In thousands	
	2002	2001
Expenses (notional):		
Accommodation	$ 17,039	$ 16,858
Legal Services	2,522	1,828
	$ 19,561	$ 18,686

(1) Recoveries of $2,035,000 and resulting receivables from Edmonton Student Health Initiative Partnerships have been excluded as these items are not considered related party transactions.

Allocated Costs

For the year ended March 31, 2002

SCHEDULE 6

	(In thousands)						
	2002						2001
	Expenses - Incurred by Others			Valuation Adjustments[4]			
Program	**Expenses[1]**	**Accommodation Costs[2]**	**Legal Services[3]**	**Vacation Pay**	**Doubtful Accounts**	**Total Expenses**	**Total Expenses**
Ministry Support	$ 14,635	$ 804	$ -	$ 125	$ -	$ 15,564	$ 14,736
Services for Children and Families	578,980	16,221	2,522	2,528	181	600,432	551,098
Family and Community Support Services	42,240	14	-	2	-	42,256	37,878
	$ 635,855	$ 17,039	$ 2,522	$ 2,655	$ 181	$ 658,252	$ 603,712

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the buildings costs allocated by the number of employees per program.

(3) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

(4) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:
- Vacation Pay - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts - estimated expenses incurred by each program.

Department of Children's Services

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For the year ended March 31, 2002

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Schedule of Allocated Costs

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Minister of Children's Services

I have audited the statement of financial position of the Department of Children's Services as at March 31, 2002 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the management of the Department. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Department of Children's Services as at March 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn
CA
Auditor General

Edmonton, Alberta
May 23, 2002

Statement of Operations

For the year ended March 31, 2002

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
	(Schedule 3)		
Revenues (Schedule 1)			
Transfers from Government of Canada	$ 108,242	$ 120,657	$ 110,194
Internal Government Transfers	1,200	1,200	1,200
Other	6,290	7,476	6,130
	115,732	129,333	117,524
Expenses			
Voted (Schedules 2, 3 and 4)			
Ministry Support Services	15,989	14,615	13,926
Services for Children and Families	585,236	583,741	534,331
Family and Community Support Services	42,641	42,240	37,864
	643,866	640,596	586,121
Statutory			
Valuation Adjustments			
Vacation Pay		998	-
Doubtful Accounts		181	266
	750	1,179	266
Total Expenses	644,616	641,775	586,387
Net Operating Results	$ (528,884)	$ (512,442)	$ (468,863)

The accompanying notes and schedules are part of these financial statements.

Statement of Financial Position

As at March 31, 2002

	(In thousands) 2002	2001
Assets		
Cash	$ 177	$ 202
Accounts Receivable (Note 4)	11,613	18,023
Advances	416	537
Capital Assets (Note 5)	1,750	1,494
	$ 13,956	$ 20,256
Liabilities		
Accounts Payable and Accrued Liabilities	$ 32,133	$ 18,608
Net Liabilities		
Net Assets (Liabilities) at Beginning of Year	1,648	(19,915)
Net Operating Results	(512,442)	(468,863)
Net Transfer from General Revenues	492,617	490,426
Net Assets (Liabilities) at End of Year	(18,177)	1,648
	$ 13,956	$ 20,256

The accompanying notes and schedules are part of these financial statements.

Statement of Changes in Financial Position

For the year ended March 31, 2002

	(In thousands) 2002	2001
Operating Transactions		
Net Operating Results	$ (512,442)	$ (468,863)
Non-Cash Items		
Amortization of Capital Assets	900	817
Valuation Adjustments	1,179	266
	(510,363)	(467,780)
Decrease in Accounts Receivable[a]	6,229	12,121
Decrease in Advances	121	-
Increase (Decrease) in Accounts Payable[a]	12,527	(32,272)
Cash Used by Operating Transactions	(491,486)	(487,931)
Investing Transactions		
Purchase of Capital Assets	(1,167)	-
Transfer of Capital Assets to (from) other Ministries (Note 5)	11	(2,311)
Cash Used by Investing Transactions	(1,156)	(2,311)
Financing Transactions		
Net Transfer from General Revenues	492,617	490,426
Cash Provided by Financing Transactions	492,617	490,426
Net Cash Provided	(25)	184
Cash, Beginning of Year	202	18
Cash, End of Year	$ 177	$ 202

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Notes to the Financial Statements

For the year ended March 31, 2002

NOTE 1 DEPARTMENT AND PURPOSE

The Department of Children's Services operates under the authority of the *Government Organization Act*, Statutes of Alberta.

The Department is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by collaboration partnerships and sharing resources.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Other authoritative pronouncements, accounting literature and published financial statements relating to either the public sector or analogous situations in the private sector, are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

(a) Reporting Entity

The reporting entity is the Department of Children's Services, which is part of the Ministry of Children's Services and for which the Minister of Children's Services is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net transfer from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual method of accounting.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Department has primary responsibility and accountability for, as reflected in the Government's budget documents.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd.)

Directly incurred expenses include:

- amortization of capital assets,
- pension costs which comprise the cost of employer contributions for current service of employees during the year,
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Incurred by Others

Services contributed by other entities in support of the Department's operations are disclosed in Schedule 7.

Assets

Financial assets of the Department are financial claims such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included. Capital assets of the Department are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. Only major enhancements of existing systems of $25,000 and over are capitalized.

Liabilities

Liabilities represent all financial claims payable by the Department at fiscal year end.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable, travel advances, and accounts payable and accrued liabilities are estimated to approximate their book values.

Net Assets/Liabilities

Net assets/liabilities represents the difference between the value of assets held by the Department and its liabilities.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd.)

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

Accounts receivable recorded as $11,613 and accounts payable and accrued liabilities of $32,133 in these financial statements are subject to measurement uncertainty. These accounts have been estimated based on information available at the time these financial statements were produced.

NOTE 3 CHANGE IN ACCOUNTING POLICY (In thousands)

Effective April 1, 2001, the accounting policy regarding information technology costs incurred on behalf of Child and Family Services Authorities (CFSAs) changed. These costs were recorded in the financial statements of the Department of Children's Services in 2000/2001, but are now included in the Child and Family Services Authorities' financial statements.

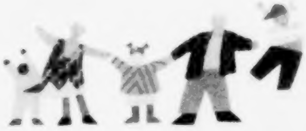
This accounting policy is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable. The effect of the change is to increase Services for Children and Families by $10,796 and to decrease Ministry Support Services in the Statement of Operations.

NOTE 4 ACCOUNTS RECEIVABLE

(In thousands)

	2002			2001
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 12,581	$ 1,724	$ 10,857	$ 17,965
Refunds from Suppliers	756	-	756	58
	$ 13,337	$ 1,724	$ 11,613	$ 18,023

Accounts receivable are unsecured and non-interest bearing.



NOTE 5 CAPITAL ASSETS

(In thousands)

	2002				2001
	Estimated useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Vehicle	3 years	$ 25	$ 25	$ -	$ 8
Computer/Systems	5 – 10 years	11,480	9,730	1,750	1,486
		$ 11,505	$ 9,755	$ 1,750	$ 1,494

The Department's proportionate share in Ex-Claim ($11,000) as at April 1, 2001, was transferred to the Ministry of Innovation and Science during the year.

NOTE 6 COMMITMENTS

At March 31, 2002, the Department has the following commitments:

(In thousands)

	2002	2001 Restated
Long-term leases	$ 485	$ 450

The above commitments relate to vehicle leases. These leases will expire at various intervals over the next five years; however; it is the Department's intention to maintain fleet inventory at present levels.

The estimated annual payments for the next five years are as follows:

(In thousands)

2003	$ 97
2004	$ 97
2005	$ 97
2006	$ 97
2007	$ 97

NOTE 7 CONTINGENCIES (In thousands)

At March 31, 2002, the Department is a defendant in 76 claims (2001 - 63 legal claims). Sixty-six of these claims have specified amounts totaling $219,567and the remaining ten have not specified any amount (2001 - 60 claims with a specified amount of $143,670 and three with no specified amount).

Included in the total legal claims are 46 claims amounting to $129,350 in which the Department has been jointly named with other entities. Forty-six claims amounting to $137,709 are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Notes to the Financial Statements
For the year ended March 31, 2002

NOTE 8 DEFINED BENEFIT PLANS (In thousands)

The Department participates in the multiemployer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Department also participates in the multiemployer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $1,351 for the year ending March 31, 2002 (2001 - $1,198).

At December 31, 2001, the Management Employees Pension Plan reported a surplus of $5,338 (2000 - $170,858) and the Public Service Pension Plan reported a surplus of $320,487 (2000 - $635,084).

At December 31, 2001, the Supplementary Retirement Plan for Public Service Managers had a deficiency of $399 (2000 – surplus of $180).

The Department also participates in two multiemployer Long Term Disability Income Continuance Plans. At March 31, 2002, the Bargaining Unit Plan reported an actuarial deficiency of $8,646 (2001 - $12,710) and the Management, Opted Out and Excluded Plan an actuarial deficiency of $2,656 (2001 – 4,583). The expense for these two plans is limited to the employer's annual contributions for the year.

NOTE 9 COMPARATIVE FIGURES

Certain 2001 figures have been reclassified to conform to the 2002 presentation.

NOTE 10 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Revenues
For the year ended March 31, 2002

SCHEDULE 1

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Transfers from Government of Canada			
Canada Health and Social Transfer	$ 88,642	$ 96,779	$ 93,248
Services to On-Reserve Status Indians	7,600	10,825	5,628
Child Welfare Special Allowance	12,000	13,053	11,318
	108,242	120,657	110,194
Internal Government Transfers			
Transfer from Lottery Fund	1,200	1,200	1,200
Other Revenue			
Refunds of Expenditure	6,250		
First Nations Agencies Recoveries		6,333	4,776
Other Refunds		1,108	1,317
Other	40	35	37
	6,290	7,476	6,130
Total Revenues	$ 115,732	$ 129,333	$ 117,524

Expenses - Directly Incurred Detailed by Object

For the year ended March 31, 2002

SCHEDULE 2

	2002 Budget (In thousands)	2002 Actual (In thousands)	2001 Actual (In thousands)
Voted:			
Salaries, Wages and Employee Benefits	$ 18,762	$ 17,041	$ 14,626
Supplies and Services	61,512	53,663	54,981
Grants	562,451	568,906	515,621
Financial Transactions and Other	126	86	76
Amortization of Capital Assets	1,015	900	817
Total Voted Expenses	$ 643,866	$ 640,596	$ 586,121

Department of Children's Services

Budget
For the year ended March 31, 2002

SCHEDULE 3

	(In thousands)			
	2001 -2002 Estimates	**Adjustment**[a]	**Authorized Supplementary**[b]	**2001 - 2002 Authorized Budget**
Revenues				
Transfer from Government of Canada	$ 108,242	$ -	$ -	$ 108,242
Internal Government Transfers	1,200	-	-	1,200
Other Revenue	6,290	-	-	6,290
	115,732	-	-	115,732
Expenses - Directly Incurred:				
Voted				
Ministry Support	15,989	(409)	-	15,580
Services to Children and Families	585,236	-	500	585,736
Family and Community Support Services	42,641	-	-	42,641
	643,866	(409)	500	643,957
Statutory				
Valuation adjustments				
Vacation Pay				
Doubtful Accounts				
	750	-	-	750
Total Expenses	644,616	(409)	500	644,707
Net Operating Results	$ (528,884)	$ 409	$ (500)	$ (528,975)
Capital Investment	$ -	$ -	$ -	$ -

(a) The adjustment represents an encumbrance from 2000/2001.

(b) Supplementary Estimate of $500,000 was approved on March 14, 2002.

Comparison of Expenses Directly Incurred by Element Compared to Authorized Budget

For the year ended March 31, 2002

SCHEDULE 4

(In thousands)

	2001-2002 Estimates	Adjustment	Authorized Supplementary	2001-2002 Authorized Budget	2001-2002 Actual Expense	Unexpended (Over Expended)
Voted:						
Ministry Support Services						
Minister's Office	$ 300	$ -	$ -	$ 300	$ 293	$ 7
Deputy Minister's Office	380	-	-	380	378	2
Office of the Children's Advocate	2,108	-	-	2,108	2,127	(19)
Partnership, Aboriginal Support, and Intergovernmental Relations	1,681	-	-	1,681	809	872
Accountability and Provincial Standards	359	-	-	359	298	61
Corporate Administration	11,161	(409)	-	10,752	10,710	42
	15,989	(409)	-	15,580	14,615	965
Services for Children and Families						
Program Support						
Program Support Services	33,221	-	-	33,221	32,045	1,176
Child and Family Services Youth Secretariat	110	-	-	110	153	(43)
Competency-based Training for Staff	1,000	-	-	1,000	2	998
Provincial Programs						
Protection of Children Involved in Prostitution	5,600	-	-	5,600	4,228	1,372
Early Intervention - On Reserve	2,345	-	-	2,345	1,678	667
Early Childhood Development Initiative	20,000	-	-	20,000	334	19,666
Fetal Alcohol Initiative						
- Operating Expense	2,000	-	-	2,000	463	1,537
- Operating Expense funded by Lotteries	1,000	-	-	1,000	1,000	-
Mentoring for Parents	6,000	-	-	6,000	3,193	2,807
Corporate Adoption Services	695	-	-	695	702	(7)
Youth in Care Transition to Independent Living	1,250	-	-	1,250	23	1,227
Permanency Planning for Children in Care						
- Operating Expense	300	-	-	300	26	274
- Operating Expense funded by Lotteries	200	-	-	200	200	-
Financial Support to Child and Family Services Authority						
Sun Country	25,474	-	-	25,474	26,178	(704)
Southeast Alberta	13,644	-	-	13,644	14,487	(843)
Windsong	7,396	-	-	7,396	7,633	(237)
Calgary Rocky View	132,323	-	-	132,323	134,689	(2,366)
Hearthstone	6,785	-	-	6,785	7,472	(687)
Diamond Willow	27,692	-	-	27,692	29,524	(1,832)
Ribstone	11,950	-	-	11,950	11,660	290
West Yellowhead	13,632	-	-	13,632	14,224	(592)
Keystone	8,590	-	-	8,590	9,666	(1,076)
Ma' Mowe Capital Region	169,441	-	-	169,441	181,848	(12,407)
Sakaw - Askiy	14,027	-	-	14,027	18,954	(4,927)
Sakaigun Asky	16,225	-	-	16,225	16,590	(365)
Region 13	15,237	-	-	15,237	14,936	301
Region 14	4,132	-	-	4,132	4,182	(50)
Neegan Awas'sak	8,037	-	-	8,037	7,632	405
Awasak	8,639	-	-	8,639	8,573	66
Silver Birch	4,394	-	-	4,394	3,912	482
Metis Settlements	3,984	-	-	3,984	4,123	(139)
Assembly of Co Chairs	585	-	-	585	357	228
Resource Equalization	14,578	-	-	14,578	19,507	(4,929)
Community Response Teams	1,250	-	-	1,250	-	1,250
Financial Support Children in Need	3,500	-	-	3,500	3,547	(47)
Teacher Labour Dispute	-	-	500	500	-	500
	585,236	-	500	585,736	583,741	1,995
Family and Community Support Services						
Program Support	337	-	-	337	194	143
Financial Assistance to Communities and Organizations	42,304	-	-	42,304	42,046	258
	42,641	-	-	42,641	42,240	401
New Capital Investment	-	-	-	-	1,167	(1,167)
Total Voted Expenditures	643,866	(409)	500	643,957	641,763	2,194
Statutory:						
Valuation Adjustments	750	-	-	750	1,179	(429)
Total Expenses	$ 644,616	$ (409)	$ 500	$ 644,707	$ 642,942	$ 1,765

(a) The adjustment represents an encumbrance from 2000/2001.

(b) Supplementary Estimates of $500,000 was approved on March 14, 2002.

The Department has accrued achievement bonuses totalling $227,000 for management and opted out employees. This has been allocated to the relevant programs.

Salary and Benefits Disclosure

For the year ended March 31, 2002

SCHEDULE 5

	(In thousands)			
	2002			2001
	Salary[1]	Benefits and Allowances[2]	Total	Total
Senior Officials				
Deputy Minister[3]	$ 157	$ 47	$ 204	$ 203
Assistant Deputy Ministers				
Strategy and Support Services	$ 118	$ 26	$ 143	$ 139
Accountability and Provincial Services[4]	$ 117	$ 36	$ 154	$ 154
Partnership and Innovation	$ 117	$ 25	$ 142	$ 138
Children's Advocate[4]	$ 97	$ 36	$ 133	$ 130

Total salary and benefits relating to a position are disclosed.

(1) Salary includes regular base pay, bonuses, and lump sum payments.

(2) Benefits and allowances include the government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long term disability plans, WCB premiums, professional memberships and tuition fees.

(3) Automobile provided, no dollar amount included in benefits and allowance figures.

(4) The positions were occupied by two individuals through the year. Benefits and allowances include vacation payments.

Related Party Transactions
For the year ended March 31, 2002

SCHEDULE 6

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Department.

The Department and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Department had the following transactions with related parties recorded at the amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		**Other Entities**	
	2002	**2001**	**2002**	**2001 (Restated)**
Revenues:				
Internal Government Transfers	$ -	$ -	$ 1,200	$ 1,200
Expenses:				
Grants to Child and Family Services Authorities (CFSAs)	516,217	472,940	-	-
Grants to CFSAs re Teacher's Labour Dispute	67	-	-	-
Reimbursements - Resident on Reserve (CFSAs)	19,507	18,089	-	-
Home Visitation Grants (CFSAs)	1,650	-	-	-
Crisis Line (Ma'mowe Capital Region CFSA)	873	-	-	-
Alberta Corporate Service Centre	-	-	15,426	-
Ministry of Human Resources & Employment	-	-	1,204	16,178
Ministry of Innovation & Science	-	-	533	970
	$ 538,314	$ 491,029	$ 17,163	$ 17,148
Receivable from/(Payable to):				
Children and Family Services Authorities	$ 38	$ 1,161	$ -	$ -
Children and Family Services Authorities	(13,648)	(16,707)	-	-
	$ (13,610)	$ (15,546)	$ -	$ -
Capital Assets Transferred from Human Resources and Employment			$ -	$ 2,299
Capital Asset Transferred to Innovation and Science			11	-
			$ 11	$ 2,299

The Department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements and are disclosed in Schedule 7.

	(In thousands)	
	Other Entities	
	2002	**2001**
Expenses (notional):		
Accommodation	$ 1,283	$ 2,572
Legal Services	92	148
	$ 1,375	$ 2,720

Allocated Costs

For the year ended March 31, 2002

SCHEDULE 7

	(In thousands)						
	2002						2001
	Expenses - Incurred by Others			Valuation Adjustments (5)			
Program	**Expenses (1,2)**	**Accommodation Costs (3)**	**Legal Services (4)**	**Vacation Pay**	**Doubtful Accounts**	**Total Expenses**	**Total Expenses**
Ministry Support	$ 14,615	$ 533	$ -	$ 414	$ -	$ 15,562	$ 15,070
Services for Children and Families	583,741	741	92	577	181	585,332	536,153
Family and Community Support Services	42,240	9	-	7	-	42,256	37,884
	$ 640,596	$ 1,283	$ 92	$ 998	$ 181	$ 643,150	$ 589,107

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Expenses include administration costs totaling $4,481 (2001 - $4,086) for financial, human resources and administrative services, which were provided by a Regional Service Center (Alberta Corporate Service Centre) to the Child and Family Service Authorities, that were paid for by the Department of Children's Services. The Child and Family Service Authorities Allocated Costs schedules include the administration costs paid on their behalf by the Department of Children's Services.

(3) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the building costs allocated by the number of authority employees per program.

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:
- Vacation Pay - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts - estimated expenses incurred by each program.

Children's Services Statement of Remissions, Compromises and Write-Offs

(unaudited)

For the year ended March 31, 2002

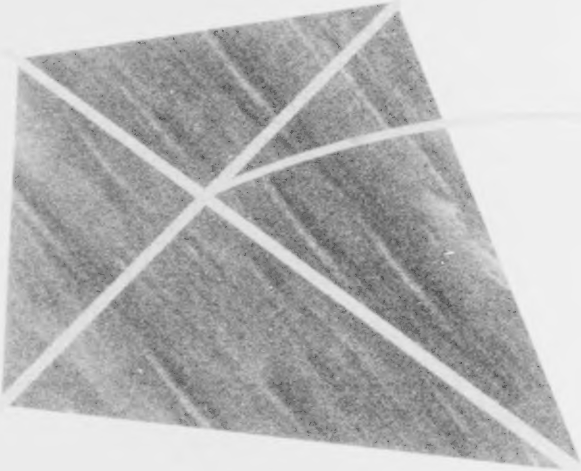
Statement of Remissions, Compromises and Write-Offs

For the year ended March 31, 2002

The following statement has been prepared pursuant to section 28 of the *Financial Administration Act*. The statement includes all remissions, compromises and write-offs the Ministry of Children's Services made or approved during the fiscal year.

	(In thousands) **2002**
Remissions under section 26 of the *Financial Administration Act*:	$ -
Permanent Write-offs (Child-in-Need)	$ 49
Compromises under section 27 of the *Financial Administration Act*:	$ -
Bankruptcies	
Daycare/Family day home	$ 14
Write-offs:	
Daycare Subsidy Program	$ 2
Foster Care Program	$ 2
Child-In-Need Program	$ 1
	$ 5
Total	$ 67

Note: This schedule is supplementary information only, and not part of the audited financial statements.



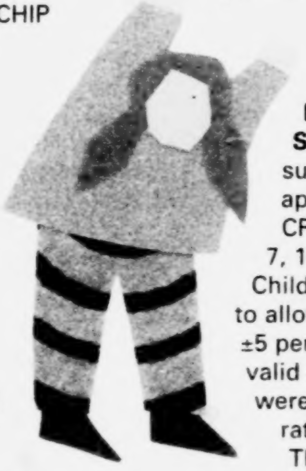
Power to the Pe
MY DREAM
Hang out with
ALBERTA
MAKING
society
free speech
HISTORY
I

Appendices

Appendix I

Performance Measures: Data Sources & Methodology

Child Welfare Information System (CWIS) - The system provides client-tracking capability (e.g., outcome of child protection investigation, placement type, legal authority, etc.) as well as documentation support for the five programs under the *Child Welfare Act*: child protection, adoptions, placement resources, unmarried parents, post adoption support, and protection of children involved in prostitution (PCHIP Act). CWIS is the data source for a number of the performance measures.



Child Care Information System (CCIS) - CCIS contains all pertinent information about licensed social care facilities in Alberta. Child Care Specialists use this system to maintain current information about the licensing and monitoring of all licensed social care facilities including day care centres. CCIS also contains all data related to the Child Care Subsidy Program, Staff Qualifications Program, Claims Process and Family Day Home Program.

Handicapped Children's Services Information System (HCSIS) - The system provides automated tracking of clients, services, commitments and expenditures. The system is designed to assist the front-line staff in case management and financial tracking by recording and printing agreements, addendum, progress reviews, contact notes and receipt and processing of invoices for payment. (The system provides a province-wide standard for service clauses with accounting details and support for supplemental clauses specific to regional and client needs, support for sealed files, file transmission, reporting and office form letters.)

Client Satisfaction Surveys - A consultant (Malatest and Associate Ltd.) was contracted to conduct client satisfaction surveys for three program areas: Handicapped Children's Services (now called Resources for Children with Disabilities), Foster Care, and Adoption Program, as well a survey of community partners to assess their degree of involvement and participation in local decision making at the CFSA level.

Handicapped Children's Services Survey - The database used for this survey was HCSIS. A census approach was used to survey 13 CFSAs. In the larger CFSAs (CFSA #4, 7, 10 and 12), a sample of Handicapped Children's Services clients was selected to allow for maximum margin of error of ±5 per cent, 19 times out of 20. Out of a valid sample of 3,561 surveys, 2,531 were completed resulting in a response rate of 71.1 per cent for the province. The response rates for the CFSAs ranged from 61.7 per cent to 83.3 per cent. The margin of error for the HCS survey is ±1.6 per cent, 19 times out of 20.

Foster Care Program Survey - The database used for this survey is CWIS. All clients (foster families or applicants) who were in the CWIS database as of Jan. 31, 2001 were selected for inclusion in the survey. In larger CFSAs of Calgary Rocky View (Region 4) and Ma'mōwe (Region 10), random samples of clients were selected to allow for a maximum margin of error of ±5 percent, 19 times out of 20. The response rate for the Foster Care Program

survey was 71 percent. Out of a total of 1,459 surveys, 1,033 were completed. The response rates for the CFSAs ranged from 65.1 per cent to 87.5 per cent. The margin of error for the survey is ±2.2 per cent, 19 times out of 20.

Community Partners Survey - Each CFSA submitted a list of up to 10 community stakeholders and 10 service providers to the survey consultant. Out of a total of 291 surveys, 218 were completed with a response rate of 75 per cent for the province. Response rates for the CFSAs ranged from 60 per cent to 90 per cent. The margin of error for this survey is estimated to be ±6.6 per cent, 19 times out of 20.

IMAGIS (Integrated Management Information System) - IMAGIS is a client server computer system which supports the financial and human resource functions of the Alberta Government.

Monitoring Database/Child Protection Files - The monitoring database includes information gathered from a child protection file review pilot project conducted in 2001-02. The pilot project included a review of child protection files in three regions: Calgary Rocky View, Ma'mōwe and West Yellowhead. The pilot project focused on collecting information that was not available electronically. Using identified target populations, within each of the three Child and Family Services Authorities, samples sizes were calculated to ensure their generalizability and statistical significance. Files were selected using a random sampling technique. The margin of error is estimated at ± 5 per cent, 18 times out of 20. Questions about contact with family were included in the monitoring pilot project. Results are tabulated from monitoring database information.

Appendix II

Child Welfare Appeal Panel

The Child Welfare Act provides for administrative appeals of certain child welfare decisions made by a Child and Family Services Authority. Such appeals are heard by the Child Welfare Appeal Panel.

The following is a summary of Child Welfare Appeal Panel decisions for the 2001-02 fiscal year, one for Child Welfare appeals, and the other for Handicapped Children's Services' appeals.

CHILD WELFARE APPEALS	
Reversed	8
Upheld	10
Varied	3
No Jurisdiction	16
Withdrawn	93
Adjourned Sine Die	2
Pending	**15**
TOTAL	**148**

HANDICAPPED CHILDREN'S SERVICES' APPEALS	
Reversed	4
Upheld	66
Varied	2
No Jurisdiction	27
Withdrawn	79
Pending	**34**
TOTAL	**212**

Appendix III

CFSA Offices: CEO's & Assembly of Co-Chairs Directory

CFSA OFFICE CEO	ABORIGINAL CO-CHAIR	NON-ABORIGINAL CO-CHAIR
Sun Country – Region 1		
Craig Brown, CEO 107, 3305 – 18 Avenue N Lethbridge, AB T1H 5S1 Ph: (403) 381-5570 Fax: (403) 381-5608 **craig.t.brown@gov.ab.ca**	Sharon Holtman Box 4682 Taber, AB T1G 2E1 Ph: (403) 223-3950 Cell: (403) 315-9999 Fax: (403) 223-2999 **herons@telusplanet.net**	Robert (Bob) Bartlett RR*, Site 38, Comp 26 Lethbridge, AB T1J 4P4 Ph: (403) 328-0163 Fax: (403) 3179308 **rmbart@telusplanet.net**
Southeast Alberta Child & Family Service Authority – Region 2		
Bryan Heninger, CEO 205 Provincial Building 346 – 3 Street SE Medicine Hat, AB T1A 0G7 Ph: (403) 529-3756 Fax: (403) 528-5244 **bryan.heninger@gov.ab.ca**	Kathy Cooper PO Box 503 Etzikom, AB T0K 0W0 Ph: (403) 666-3749 Fax: (403) 528-5244 **linda.monti@gov.ab.ca**	Dr. Harold Storlien 20 Finlay Court SW Medicine Hat, AB T1A 7M7 Ph: (403) 527-5626 Fax: (403) 528-5244
Windsong – Region 3		
Larry Mathieson, CEO PO Box 5147 2nd Floor 129 – 4 Avenue W. High River, AB T1V 1M3 Ph: (403) 652-8360 Fax: (403) 652-8365 **larry.mathieson@gov.ab.ca**	Dodie Gaudry Box 209 Longview, AB T0L 1H0 Ph: (403) 558-2164 Fax: (403) 558-2124 **dodie@fclc.com**	Sharon Davis Box 337 Nanton, AB T0L 1R0 Ph: (403) 646-2523 (403) 646-2436 Fax: (403) 646-2415 **quallife@telusplanet.net**
Calgary/Rocky View – Region 4		
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Craig Brown, CEO 107, 3305 – 18 Avenue N Lethbridge, AB T1H 5S1 Ph: (403) 381-5570 Fax: (403) 381-5608 **craig.t.brown@gov.ab.ca**	**Henry (Hank) Cunningham** **Box 705 Rosedale Station** **Wayne, AB T0J 2V0** **Ph: (403) 823-7221** **Fax: (403) 823-1623** **(403) 823-1623**	Wil Porat Box 1680 Didsbury, AB T0M 0W0 Ph: (403) 335-4792 (H) Cell: (403) 507-3835 Fax: (403) 335-8129 **wilporat@oanet.com**
Diamond Willow – Region 6		
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West Yellowhead – Region 8		
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Sakaw-Askiy – Region 11		
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Sakaigun Asky – Region 12		
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Region 13 – CFSA		
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CFSA OFFICE CEO	ABORIGINAL CO-CHAIR	NON-ABORIGINAL CO-CHAIR
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Appendix IV

Alphabetical List of Entities' financial statements
in ministry 2001-02 annual reports

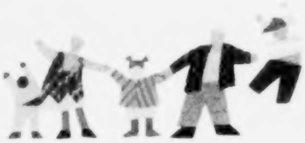
Entities included in the consolidated government reporting entity

Ministry, Department, Fund or Agency	Ministry Annual Report
Agriculture Financial Services Corporation	Agriculture, Food and Rural Development
Alberta Alcohol and Drug Abuse Commission	Health and Wellness
Alberta Dairy Control Board	Agriculture, Food and Rural Development
Alberta Energy and Utilities Board	Energy
Alberta Foundation for the Arts	Community Development
Alberta Gaming and Liquor Commission	Gaming
Alberta Government Telephones Commission, The	Finance
Alberta Heritage Foundation for Medical Research Endowment Fund	Revenue
Alberta Heritage Savings Trust Fund	Revenue
Alberta Heritage Scholarship Fund	Revenue
Alberta Heritage Science and Engineering Research Endowment Fund	Revenue
Alberta Historical Resources Foundation, The	Community Development
Alberta Insurance Council	Finance
Alberta Municipal Financing Corporation	Finance
Alberta Opportunity Company	Agriculture, Food and Rural Development
Alberta Pensions Administration Corporation	Finance
Alberta Petroleum Marketing Commission	Energy
Alberta Research Council Inc.	Innovation and Science
Alberta Risk Management Fund	Revenue
Alberta School Foundation Fund	Learning
Alberta Science and Research Authority	Innovation and Science
Alberta Securities Commission	Revenue
Alberta Social Housing Corporation	Seniors

Alberta Sport, Recreation, Parks and Wildlife Foundation	Community Development
Alberta Treasury Branches	Finance
ATB Investment Services Inc.	Finance
Child and Family Services Authorities:	
Awasak Child and Family Services Authority	
Calgary Rocky View Child and Family Services Authority	
Child and Family Services Authority Region 13	
Child and Family Services Authority Region 14	
Diamond Willow Child and Family Services Authority	
Hearthstone Child and Family Services Authority	
Keystone Child and Family Services Authority	
Ma'mõwe Capital Region Child and Family Services Authority	
Métis Settlements Child and Family Services Authority	
Neegan Awas'sak Child and Family Services Authority	
Ribstone Child and Family Services Authority	
Sakaigun Asky Child and Family Services Authority	
Sakaw-Askiy Child and Family Services Authority	
Silver Birch Child and Family Services Authority	
Southeast Alberta Child and Family Services Authority	
Sun Country Child and Family Services Authority	
West Yellowhead Child and Family Services Authority	
Windsong Child and Family Services Authority	Children's Services
Credit Union Deposit Guarantee Corporation	Finance
Crop Reinsurance Fund of Alberta	Agriculture, Food and Rural Development
Department of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Department of Children's Services	Children's Services
Department of Community Development	Community Development
Department of Energy	Energy
Department of Finance	Finance
Department of Gaming	Gaming

Department of Health and Wellness	Health and Wellness
Department of Innovation and Science	Innovation and Science
Department of Learning	Learning
Department of Revenue	Revenue
Department of Seniors	Seniors
Department of Solicitor General	Solicitor General
Department of Sustainable Resource Development	Sustainable Resource Development
Environmental Protection and Enhancement Fund	Sustainable Resource Development
Gainers Inc.	Finance
Government House Foundation, The	Community Development
Historic Resources Fund	Community Development
Human Rights, Citizenship and Multiculturalism Education Fund	Community Development
iCore Inc.	Innovation and Science
Lottery Fund	Gaming
Ministry of Aboriginal Affairs and Northern Development[7]	Aboriginal Affairs and Northern Development
Ministry of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Ministry of Children's Services	Children's Services
Ministry of Community Development	Community Development
Ministry of Economic Development[7]	Economic Development
Ministry of Energy	Energy
Ministry of Environment[7]	Environment
Ministry of Finance	Finance
Ministry of Executive Council[7]	Executive Council
Ministry of Gaming	Gaming
Ministry of Government Services[7]	Government Services
Ministry of Health and Wellness	Health and Wellness
Ministry of Human Resources and Employment[7]	Human Resources and Employment
Ministry of Infrastructure[8]	Infrastructure
Ministry of Innovation and Science	Innovation and Science

Ministry of International and Intergovernmental Relations[1]	International and Intergovernmental Relations
Ministry of Justice[1]	Justice
Ministry of Learning	Learning
Ministry of Municipal Affairs[1]	Municipal Affairs
Ministry of Revenue	Revenue
Ministry of Seniors	Seniors
Ministry of Solicitor General	Solicitor General
Ministry of Sustainable Resource Development	Sustainable Resource Development
Ministry of Transportation[1]	Transportation
N.A. Properties (1994) Ltd.	Finance
Natural Resources Conservation Board	Sustainable Resource Development
Persons with Developmental Disabilities	Community Boards
Calgary Community Board	Community Development
Central Community Board	Community Development
Edmonton Community Board	Community Development
Northeast Community Board	Community Development
Northwest Community Board	Community Development
South Community Board	Community Development
Persons with Developmental Disabilities Foundations[9]	Community Development
Persons with Developmental Disabilities Michener Centre Facility Board	Community Development
Persons with Developmental Disabilities Provincial Board	Community Development
Provincial Judges and Masters in Chambers Reserve Fund	Finance
S C Financial Ltd.	Finance
Supplementary Retirement Plan Reserve Fund	Finance
Victims of Crime Fund	Solicitor General
Wild Rose Foundation, The	Community Development



Entities not included in the consolidated government reporting entity

FUND OR AGENCY	MINISTRY ANNUAL REPORT
Alberta Cancer Board	Health and Wellness
Alberta Foundation for Health Research	Innovation and Science
Alberta Heritage Foundation for Medical Research	Innovation and Science
Alberta Heritage Foundation for Science and Engineering Research	Innovation and Science
Alberta Mental Health Board	Health and Wellness
Alberta Teachers' Retirement Fund Board	Learning
Improvement Districts' Trust Account	Municipal Affairs
Local Authorities Pension Plan	Finance
Long-Term Disability Income Continuance Plan - Bargaining Unit	Human Resources and Employment
Long-Term Disability Income Continuance Plan - Management, Opted Out and Excluded	Human Resources and Employment
Management Employees Pension Plan	Finance
Provincial Judges and Masters in Chambers Pension Plan	Finance
Public Post Secondary Institutions	Learning
Public Service Management (Closed Membership) Pension Plan	Finance
Public Service Pension Plan	Finance
Regional Health Authorities	Health and Wellness
School Boards	Learning
Special Areas Trust Account, The	Municipal Affairs
Special Forces Pension Plan	Finance
Supplementary Retirement Plan for Provincial Judges and Masters in Chambers	Finance
Supplementary Retirement Plan for Public Service Managers	Finance
Universities Academic Pension Plan	Finance
Workers' Compensation Board	Human Resources and Employment

SECTION

SECTION

2

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ProQuest

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Toronto, Ontario M5C 2N8
Tel.: (416) 362-5211
Toll Free: 1-800-387-2689
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Email: info@micromedia.on.ca

Alberta children's Services

2001-2002 ANNUAL REPORT • SECTION 2

Our Legacy...
Alberta's Future
Alberta Children's Services

Alberta
CHILDREN'S SERVICES

Sun Country

Sun Country Child and Family Services Authority

Financial Statements

For the year ended March 31, 2002

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Changes in Financial Position

Notes to the Financial Statements

Schedule of Expenses Detailed by Object

Schedule of Disclosure of Salary and Benefits

Schedule of Related Party Transactions

Schedule of Allocated Costs

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Sun Country Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Sun Country Child and Family Services Authority as at March 31, 2002 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn
CA
Auditor General

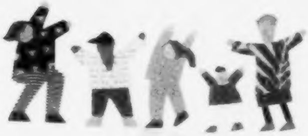
Edmonton, Alberta
May 23, 2002

Statement of Operations

For the year ended March 31, 2002

	(In thousands) 2002 Budget	2002 Actual	2001 Actual
Revenues			
Grant from the Department of Children's Services (Note 4)	$ 25,474	$ 26,178	$ 24,491
Recoveries - Resident on Reserve	3,124	4,234	3,407
Recoveries - Inter-Authority Services	301	251	343
Miscellaneous Revenue	-	65	-
	28,899	30,728	28,241
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	597	356	467
Program Support Services (Note 3)	647	1,004	-
Services to Children and Families:			
Child Welfare	18,339	19,971	18,204
Children with Disabilities	2,364	3,103	2,194
Day Care	4,193	3,598	3,703
Early Intervention	1,355	1,411	1,171
Prevention of Family Violence	1,103	902	1,184
Inter-Authority Services	301	251	343
Valuation Adjustments:			
Vacation Pay (Note 2)	-	127	34
	28,899	30,723	27,300
Net Operating Results	$ -	$ 5	$ 941

The accompanying notes and schedules are part of these financial statements.



Statement of Financial Position

As at March 31, 2002

	(In thousands) 2002	2001
Assets		
Cash	$ 751	$ 107
Accounts Receivable (Note 5)	1,205	1,593
	$ 1,956	$ 1,700
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	$ 1,779	$ 1,528
Net Assets (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	172	(769)
Net Operating Results	5	941
Net Assets at End of Year	177	172
	$ 1,956	$ 1,700

The accompanying notes and schedules are part of these financial statements.

Statement of Changes in Financial Position

For the year ended March 31, 2002

	(In thousands) 2002	2001
Operating Transactions		
Net Operating Results	$ 5	$ 941
Non-Cash Items		
Valuation Adjustments	127	34
	132	975
Decrease in Accounts Receivable	388	310
Decrease in Advances	-	5
Increase (Decrease) in Accounts Payable and Accrued Liabilities [a]	124	(1,183)
Cash Provided by Operating Transactions	644	107
Cash, Beginning of Year	107	-
Cash, End of Year	$ 751	$ 107

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Notes to the Financial Statements
For the year ended March 31, 2002

NOTE 1 AUTHORITY AND PURPOSE

Sun Country Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer, all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

Reporting Entity

The reporting entity is Sun Country Child and Family Services Authority, which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserves.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd.)

Directly incurred costs include:

- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services, and
- The cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

Cash and accounts receivable are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. Only major enhancements of existing systems of $25,000 and over are capitalized.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2001-2002 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 31, 2001. The Authority approved the budget of $28,899 on August 15, 2002.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd.)

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be significant variance between the amount recognized in the financial statements and another possible amount.

Accounts receivable recorded as $1,205 and accounts payable and accrued liabilities recorded as $1,779 in these financial statements are subject to measurement uncertainty. Management has estimated the amount due for Recoveries Resident on Reserve from the Department and the amounts owed for expenses for daycare, child welfare, and board governance as at March 31, 2002. These estimates are based on the past month (February 2002) and average monthly actual recoveries and expenses.

NOTE 3 ACCOUNTING POLICY CHANGE (In thousands)

Effective April 1, 2001, the accounting policy on information technology costs changed. The cost incurred to support the Authority was recorded in the financial statements of the Department of Children's Services in 2000/2001, but is included in the Authority's financial statements for the 2001/2002 fiscal year. The reason for the change is to show the full costs of the services that the Authority provides.

This accounting policy is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable. The effect of the change is to increase the grant from the Department of Children's Services and increase the program support services expense by $647 on the Statement of Operations. On Schedule 1, the effect of the change is to increase supplies and services by $647. Net assets (liabilities) at the beginning of the year would not have been impacted by the accounting policy change as any expenses recognized would have been offset by an increase in the grant from the Department of Children's Services.

NOTE 4 GRANT FROM THE DEPARTMENT OF CHILDREN'S SERVICES

The grant was determined as follows:

	(In thousands)
Original budget	$ 25,474
Additional funding provided for the current year	704
Grant for the Year	$ 26,178

NOTE 5 ACCOUNTS RECEIVABLE

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands) 2002	2001
Department of Children's Services	$ 1,180	$ 1,537
Child and Family Services Authorities	20	56
Refunds from Suppliers	5	-
	$ 1,205	$ 1,593

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities are comprised of transactions with related parties such as Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands)	
	2002	**2001**
Child and Family Services Authorities	$ 13	$ 41
Accrued Vacation Pay	768	616
Trade Payable	998	871
	$ 1,779	$ 1,528

NOTE 7 COMMITMENTS

As at March 31, 2002, the Authority has the following commitments:

	(In thousands)	
	2002	**2001**
Long-term leases[a]	$ 187	$ 129

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2005. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(In thousands)
2003	$ 75
2004	$ 68
2005	$ 43
2006	$ 1

NOTE 8 COMPARATIVE FIGURES

Certain 2001 figures have been reclassified to conform to the 2002 presentation.

NOTE 9 APPROVALS OF FINANCIAL STATEMENTS

The financial statements have been approved by the Authority.

Expenses Detailed by Object

For the year ended March 31, 2002

SCHEDULE 1

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Manpower[a]	$ 5,780	$ 8,379	$ 6,974
Supplies and services (Note 3)	20,229	18,906	16,656
Grants	2,890	3,166	3,293
Inter-Authority Services	-	251	343
Valuation Adjustment	-	127	34
	28,899	30,829	27,300
Less: Recovery from Alberta Human Resources and Employment	-	(106)	-
	$ 28,899	$ 30,723	$ 27,300

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $13,000 (2001 - $30,000) in achievement bonuses for management and non-union staff.

Disclosure of Salary and Benefits

For the year ended March 31, 2002

SCHEDULE 2

	(In thousands)			
	2002			2001
	Salary[1]	Benefits and Allowances[2]	Total	Total
Co-Chair of the Authority[3]	$ 18	$ -	$ 18	$ 26
Co-Chair of the Authority	$ 19	$ -	$ 19	$ 26
Board Members (10 members)	$ 51	$ -	$ 51	$ 61
Chief Executive Officer	$ 102	$ 20	$ 122	$ 137

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

(3) The position was occupied by two individuals during the year.

Related Party Transactions
For the year ended March 31, 2002

SCHEDULE 3

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2002	2001	2002	2001
Revenues:				
Grant from the Department of Children's Services	$ 26,178	$ 24,491	$ -	$ -
Recoveries - Resident on Reserve	4,234	3,407	-	-
Recoveries - Inter-Authority Services	251	343	-	-
	$ 30,663	$ 28,241	$ -	$ -
Expenses:				
Inter-Authority Services Received	$ 152	$ 239	$ -	$ -
Department of Children's Services	647	-	-	-
	$ 799	$ 239	$ -	$ -
Receivable from/(Payable to):				
Department of Children's Services	$ 1,180	$ 1,537	$ -	$ -
Windsong Child and Family Services Authority	7	16	-	-
Calgary Rocky View Child and Family Services Authority	-	15	-	-
Hearthstone Child and Family Services Authority	-	(1)	-	-
Diamond Willow Child and Family Services Authority	-	(2)	-	-
Ribstone Child and Family Services Authority	-	(4)	-	-
Ma'mowe Capital Region Child and Family Services Authority	-	(9)	-	-
	$ 1,187	$ 1,552	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2002	2001 (Restated)
Expenses (notional):		
Accommodation	$ 759	$ 727
Administrative	384	350
Legal Services	-	95
	$ 1,143	$ 1,172

Allocated Costs

For the year ended March 31, 2002

SCHEDULE 4

(In thousands)

	2002							2001
		Expenses - Incurred by Others			Valuation Adjustments[5]			
Program	Expenses[1]	Accommodation Costs[2]	Administrative Costs[3]	Legal Services[4]	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses (Restated)
Program Support	$ 1,360	$ 43	$ 384	$ -	$ 7	$ -	$ 1,794	$ 822
Child Welfare	19,971	615	-	-	103	-	20,689	18,969
Children with Disabilities	3,103	29	-	-	5	-	3,137	2,214
Day Care	3,598	29	-	-	5	-	3,632	3,737
Early Intervention	1,411	29	-	-	5	-	1,445	1,198
Prevention of Family Violence	902	14	-	-	2	-	918	1,189
Inter-Authority Services	251	-	-	-	-	-	251	343
	$ 30,596	$ 759	$ 384	$ -	$ 127	$ -	$ 31,866	$ 28,472

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

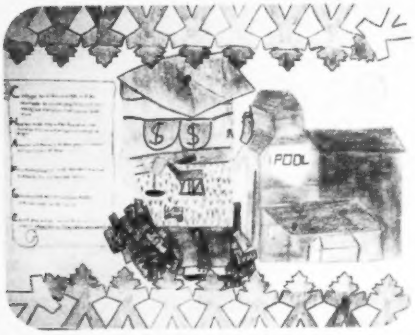
(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources, administrative and information technology services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services. In the prior year, these costs were not included in this schedule. The comparative numbers have been restated.

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:

- Vacation Pay Provision - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.



Southeast Alberta

Southeast Alberta Child and Family Services Authority

Financial Statements

For the year ended March 31, 2002

Auditor's Report
Statement of Operations
Statement of Financial Position
Statement of Changes in Financial Position
Notes to the Financial Statements
Schedule of Expenses Detailed by Object
Schedule of Disclosure of Salary and Benefits
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Schedule of Allocated Costs

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Southeast Alberta Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Southeast Alberta Child and Family Services Authority as at March 31, 2002 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn
CA
Auditor General

Edmonton, Alberta
May 23, 2002

Statement of Operations

For the year ended March 31, 2002

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 4)	$ 13,644	$ 14,487	$ 13,963
Recoveries - Resident on Reserve	10	9	12
Recoveries - Inter-Authority Services	35	19	31
Miscellaneous Revenue	-	30	-
	13,689	14,545	14,006
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	597	470	563
Program Support Services (Note 3)	384	385	-
Services to Children and Families:			
Child Welfare	7,217	7,859	7,214
Children with Disabilities	1,885	1,962	1,840
Day Care	2,194	2,382	2,223
Early Intervention	1,006	1,036	966
Prevention of Family Violence	371	399	372
Inter-Authority Services	35	19	31
Valuation Adjustments:			
Vacation Pay (Note 2)	-	24	35
	13,689	14,536	13,244
Net Operating Results	$ -	$ 9	$ 762

The accompanying notes and schedules are part of these financial statements.

Statement of Financial Position

As at March 31, 2002

	(In thousands) 2002	2001
Assets		
Cash	$ 644	$ 777
Accounts Receivable (Note 5)	373	285
Advances	-	3
	$ 1,017	$ 1,065
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	$ 845	$ 902
Net Assets (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	163	(599)
Net Operating Results	9	762
Net Assets at End of Year	172	163
	$ 1,017	$ 1,065

The accompanying notes and schedules are part of these financial statements.

Statement of Changes in Financial Position

For the year ended March 31, 2002

	(In thousands)	
	2002	2001
Operating Transactions		
Net Operating Results	$ 9	$ 762
Non-Cash Items		
Valuation Adjustments	24	35
	33	797
Increase in Accounts Receivable	(88)	(33)
Decrease in Advances	3	1
Increase (Decrease) in Accounts Payable and Accrued Liabilities[a]	(81)	12
Cash Provided (Used) by Operating Transactions	(133)	777
Cash, Beginning of Year	777	-
Cash, End of Year	$ 644	$ 777

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Notes to the Financial Statements
For the year ended March 31, 2002

NOTE 1 AUTHORITY AND PURPOSE

The Southeast Alberta Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

Reporting Entity

The reporting entity is the Southeast Alberta Child and Family Services Authority, which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserves.

Monetary donations from external sources are recorded as revenue when received .

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd.)

Directly incurred costs include:

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

Cash, accounts receivables, and advances are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. Only major enhancements of existing systems of $25,000 and over are capitalized.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2001-2002 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 31, 2001. The Authority approved the budget of $13,689 on May 17, 2001.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be significant variance between the amount recognized in the financial statements and another possible amount.

Accounts payable and accrued liabilities recorded as $845 in these financial statements are subject to measurement uncertainty. The accrued liabilities consist of wages and worker's compensation, child welfare expenses and day care expenses. These accruals were estimated by management based on prior history of these items and other information available. The actual amount could vary significantly from the estimate.

Notes to the Financial Statements
For the year ended March 31, 2002

NOTE 3 ACCOUNTING POLICY CHANGE (In thousands)

Effective April 1, 2001, the accounting policy on information technology costs changed. The cost incurred to support the Authority was recorded in the financial statements of the Department of Children's Services in 2000/2001, but is included in the Authority's financial statements for the 2001/2002 fiscal year. The reason for the change is to show the full costs of the services that the Authority provides.

This accounting policy is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable. The effect of the change is to increase the grant from the Department of Children's Services and increase the program support services expense by $384 on the Statement of Operations. On Schedule 1, the effect of the change is to increase supplies and services by $384. Net assets (liabilities) at the beginning of the year would not have been impacted by the accounting policy change as any expenses recognized would have been offset by an increase in the grant from the Department of Children's Services.

NOTE 4 GRANT FROM THE DEPARTMENT OF CHILDREN'S SERVICES

The grant was determined as follows:

	(In thousands)
Original budget	$ 13,644
Additional funding provided for the current year	843
Grant for the Year	$ 14,487

NOTE 5 ACCOUNTS RECEIVABLE

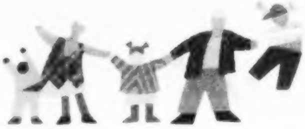
The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands)	
	2002	2001
Department of Children's Services	$ 296	$ 271
Child and Family Services Authorities	-	1
Refunds from Suppliers	77	13
	$ 373	$ 285

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands)	
	2002	2001
Department of Children's Services	$ -	$ 17
Child and Family Services Authorities	-	26
Accrued Vacation Pay	335	280
Trade Payable	510	579
	$ 845	$ 902



NOTE 7 COMMITMENTS

As at March 31, 2002, the Authority has the following commitments:

	(In thousands) 2002	2001
Long-term leases[a]	$ 39	$ 39

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2005. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(In thousands)
2003	$ 22
2004	$ 15
2005	$ 2

NOTE 8 COMPARATIVE FIGURES

Certain 2001 figures have been reclassified to conform to the 2002 presentation.

NOTE 9 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Authority.

Expenses Detailed by Object

For the year ended March 31, 2002

SCHEDULE 1

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Manpower[a]	$ 2,738	$ 3,992	$ 3,455
Supplies and services (Note 3)	9,582	8,466	7,672
Grants	1,369	2,082	2,051
Inter-Authority Services	-	19	31
Valuation Adjustment	-	24	35
	13,689	14,583	13,244
Less: Recovery from Alberta Human Resources and Employment	-	(47)	-
	$ 13,689	$ 14,536	$ 13,244

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $6,000 (2001 - $15,000) in achievement bonuses for management and non-union staff.

Disclosure of Salary and Benefits

For the year ended March 31, 2002

SCHEDULE 2

	(In thousands)			
	2002			2001
	Salary (1)	Benefits and Allowances (2)	Total	Total
Co-Chair of the Authority	$ 8	$ -	$ 8	$ 17
Co-Chair of the Authority	$ 6	$ -	$ 6	$ 8
Board Members (6 members)	$ 23	$ -	$ 23	$ 51
Chief Executive Officer	$ 92	$ 17	$ 109	$ 104

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

Related Party Transactions
For the year ended March 31, 2002

SCHEDULE 3

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2002	2001	2002	2001
Revenues:				
Grant from the Department of Children's Services	$ 14,487	$ 13,963	$ -	$ -
Recoveries - Resident on Reserve	9	12	-	-
Recoveries - Inter-Authority Services	19	31	-	-
	$ 14,515	$ 14,006	$ -	$ -
Expenses:				
Inter-Authority Services Received	$ 19	$ 42	$ -	$ -
Department of Children's Services	384	-	-	-
	$ 403	$ 42	$ -	$ -
Receivable from/(Payable to):				
Department of Children's Services	$ 296	$ 254	$ -	$ -
Calgary Rocky View Child and Family Services Authority	-	(8)	-	-
Hearthstone Child and Family Services Authority	-	(1)	-	-
Diamond Willow Child and Family Services Authority	-	(3)	-	-
Ribstone Child and Family Services Authority	-	(5)	-	-
Ma'mowe Capital Region Child and Family Services Authority	-	(9)	-	-
Child and Family Services Authority Region 13	-	1	-	-
People with Developmental Disabilities-South Board	-	-	72	13
	$ 296	$ 229	$ 72	$ 13

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2002	2001 (Restated)
Expenses (notional):		
Accommodation	$ 395	$ 429
Administrative	223	204
Legal Services	-	38
	$ 618	$ 671

Allocated Costs

For the year ended March 31, 2002

SCHEDULE 4

(In thousands)

	2002							2001
	Expenses - Incurred by Others				Valuation Adjustments[5]			
Program	Expenses[1]	Accommodation Costs[2]	Administrative Costs[3]	Legal Services[4]	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses (Restated)
Program Support	$ 855	$ 32	$ 223	$ -	$ 2	$ -	$ 1,112	$ 805
Child Welfare	7,859	320	-	-	19	-	8,198	7,642
Children with Disabilities	1,962	16	-	-	1	-	1,979	1,857
Day Care	2,382	27	-	-	2	-	2,411	2,242
Early Intervention	1,036	-	-	-	-	-	1,036	966
Prevention of Family Violence	399	-	-	-	-	-	399	372
Inter-Authority Services	19	-	-	-	-	-	19	31
	$ 14,512	$ 395	$ 223	$ -	$ 24	$ -	$ 15,154	$ 13,915

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources, and administrative services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services. In the prior year, these costs were not included in this schedule. The comparative numbers have been restated.

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:

- Vacation Pay Provision - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

MY DREAMS FOR ALBERTA'S FUTURE

Windsong Child and Family Services Authority

Financial Statements

For the year ended March 31, 2002

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Changes in Financial Position

Notes to the Financial Statements

Schedule of Expenses Detailed by Object

Schedule of Disclosure of Salary and Benefits

Schedule of Related Party Transactions

Schedule of Allocated Costs

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Windsong Child and Family Services Authority and the Minister of Children's Services

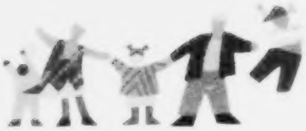
I have audited the statement of financial position of the Windsong Child and Family Services Authority as at March 31, 2002 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn
CA
Auditor General

Edmonton, Alberta
May 17, 2002



Statement of Operations

For the year ended March 31, 2002

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 4)	$ 7,396	$ 7,633	$ 6,749
Recoveries - Resident on Reserve	10	267	472
Recoveries - Inter-Authority Services	640	437	979
Miscellaneous Revenue	-	34	136
	8,046	8,371	8,336
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	360	237	225
Program Support Services	76	76	5
Services to Children and Families:			
Child Welfare	4,583	4,636	4,875
Children with Disabilities	819	1,139	877
Day Care	497	454	502
Early Intervention	808	585	726
Prevention of Family Violence	263	164	107
Inter-Authority Services	640	437	979
Valuation Adjustments:			
Vacation Pay (Note 2)	-	33	32
	8,046	7,761	8,328
Net Operating Results	$ -	$ 610	$ 8

The accompanying notes and schedules are part of these financial statements.

Windsong Child and Family Services Authority

Statement of Financial Position

As at March 31, 2002

	(In thousands) 2002	2001
Assets		
Cash	$ 560	$ 106
Accounts Receivable (Note 5)	1,047	878
	$ 1,607	$ 984
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	$ 563	$ 550
Net Assets		
Net Assets at Beginning of Year	434	426
Net Operating Results	610	8
Net Assets at End of Year	1,044	434
	$ 1,607	$ 984

The accompanying notes and schedules are part of these financial statements.

Statement of Changes in Financial Position

For the year ended March 31, 2002

	(In thousands) 2002	2001
Operating Transactions		
Net Operating Results	$ 610	$ 8
Non-Cash Items		
Valuation Adjustments	33	32
	643	40
(Increase) Decrease in Accounts Receivable	(169)	259
Decrease in Accounts Payable and Accrued Liabilities [a]	(20)	(193)
Cash Provided by Operating Transactions	454	106
Cash, Beginning of Year	106	-
Cash, End of Year	$ 560	$ 106

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Notes to the Financial Statements

For the year ended March 31, 2002

NOTE 1 AUTHORITY AND PURPOSE

The Windsong Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999, and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer, all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

Reporting Entity

The reporting entity is the Windsong Child and Family Services Authority, which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserves.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd.)

Directly incurred costs include:

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

Cash and accounts receivable are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. Only major enhancements of existing systems of $25,000 and over are capitalized.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2001-2002 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 31, 2001. The Authority approved the budget of $8,046 on April 18, 2001.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be significant variance between the amount recognized in the financial statements and another possible amount.

Accounts payable and accrued liabilities recorded as $563 in these financial statements is subject to measurement uncertainty. The accruals are estimated assuming that there is a four to six week delay in processing service provider invoices and capturing the amounts in the accounts. If the processing time lag varies the accrual estimate will be either over or under the actual amount of services purchased.

NOTE 3 ACCOUNTING POLICY CHANGE (In thousands)

Effective April 1, 2001, the accounting policy on information technology costs changed. The cost incurred to support the Authority was recorded in the financial statements of the Department of Children's Services in 2000/2001, but is included in the Authority's financial statements for the 2001/2002 fiscal year. The reason for the change is to show the full costs of the services that the Authority provides.

This accounting policy is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable. The effect of the change is to increase the grant from the Department of Children's Services and increase the program support services expense by $76 on the Statement of Operations. On Schedule 1, the effect of the change is to increase supplies and services by $76. Net assets at the beginning of the year would not have been impacted by the accounting policy change as any expenses recognized would have been offset by an increase in the grant from the Department of Children's Services.

NOTE 4 GRANT FROM THE DEPARTMENT OF CHILDREN'S SERVICES

The grant was determined as follows:

	(In thousands)
Original budget	$ 7,396
Additional funding provided for the current year	237
Grant for the Year	$ 7,633

NOTE 5 ACCOUNTS RECEIVABLE

The accounts receivable are comprised of related transactions with the Department of Children's Services, other Child and Family Authorities, Alberta Health and Wellness and the remaining transactions are with external parties.

	(In thousands) 2002	2001
Department of Children's Services	$ 132	$ 598
Child and Family Services Authorities	13	280
Alberta Health and Wellness	847	-
Other	55	-
	$ 1,047	$ 878

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands)	
	2002	**2001**
Department of Children's Services	$ 23	$ 8
Child and Family Services Authorities	38	54
Accrued Vacation Pay	110	-
Trade Payable	326	488
Other	66	-
	$ 563	$ 550

NOTE 7 COMMITMENTS

As at March 31, 2002, the Authority has the following commitments:

	(In thousands)	
	2002	**2001** **(Restated)**
Long-term leases[a]	$ 39	$ 63

(a) The Authority leases vehicles under operating leases that expire on various dates to July 4, 2005. The aggregate amounts payable for the unexpired terms of these leases are as follows:

(In thousands)		
2003	$	23
2004	$	13
2005	$	3

NOTE 8 COMPARATIVE FIGURES

Certain 2001 figures have been reclassified to conform to the 2002 presentation.

NOTE 9 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Authority.

Expenses Detailed by Object

For the year ended March 31, 2002

SCHEDULE 1

	(in thousands)		
	2002		2001
	Budget	Actual	Actual
Manpower[a]	$ 1,609	$ 1,457	$ 1,241
Supplies and services	5,632	6,300	5,625
Grants	805	432	451
Inter-Authority Services	-	437	979
Other	-	35	32
	8,046	8,661	8,328
Less: Recovery from Alberta Human Resources and Employment	-	(53)	-
Recovery from Alberta Health and Wellness	-	(847)	-
	$ 8,046	$ 7,761	$ 8,328

[a] Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $4,000 (2001 - $3,000) in achievement bonuses for management and non-union staff.

Disclosure of Salary and Benefits

For the year ended March 31, 2002

SCHEDULE 2

	(In thousands)			
	2002			2001
	Salary[1]	Benefits and Allowances[2]	Total	Total
Co-Chair of the Authority	$ 9	$ -	$ 9	$ 6
Co-Chair of the Authority	$ 8	$ -	$ 8	$ 14
Board Members (6 members)	$ 29	$ 10	$ 39	$ 38
Chief Executive Officer	$ 86	$ 33	$ 119	$ 75

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

Related Party Transactions
For the year ended March 31, 2002

SCHEDULE 3

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2002	2001	2002	2001
Revenues:				
Grant from the Department of Children's Services	$ 7,633	$ 6,749	$ -	$ -
Recoveries - Resident on Reserve	267	472	-	-
Recoveries - Inter-Authority Services	437	979	-	-
	$ 8,337	$ 8,200	$ -	$ -
Expenses:				
Inter-Authority Services Received	$ 470	$ 462	$ -	$ -
Department of Children's Services	76	-	-	-
	$ 546	$ 462	$ -	$ -
Receivable from/(Payable to):				
Department of Children's Services	$ 9	$ 590	$ -	$ -
Sun Country Child and Family Services Authority	(7)	(11)	-	-
Calgary Rocky View Child and Family Services Authority	(18)	235	-	-
Hearthstone Child and Family Services Authority	-	1	-	-
West Yellowhead Child and Family Services Authority	-	3	-	-
Ribstone Child and Family Services Authority	-	(2)	-	-
	$ (16)	$ 816	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2002	2001 (Restated)
Expenses (notional):		
Accommodation	$ 148	$ 121
Administrative	149	136
Legal Services	11	25
	$ 308	$ 282

Allocated Costs

For the year ended March 31, 2002

SCHEDULE 4

	(In thousands)							
	2002							2001
	Expenses - Incurred by Others				Valuation Adjustments (5)			
Program	Expenses (1)	Accommodation Costs (2)	Administrative Costs (3)	Legal Services (4)	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses (Restated)
Program Support	$ 313	$ 5	$ 149	$ -	$ 1	$ -	$ 468	$ 371
Child Welfare	4,636	121	-	11	28	-	4,796	5,029
Children with Disabilities	1,139	11	-	-	2	-	1,152	890
Day Care	454	11	-	-	2	-	467	508
Early Intervention	585	-	-	-	-	-	585	726
Prevention of Family Violence	164	-	-	-	-	-	164	107
Inter-Authority Services	437	-	-	-	-	-	437	979
	$ 7,728	$ 148	$ 149	$ 11	$ 33	$ -	$ 8,069	$ 8,610

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Administration costs are for financial, human resources, and administrative services provided by the Regional Service Centre (Alberta Corporate Service Centre), and paid for by the Department of Children's Services. In the prior year, these costs were not included in this schedule. The comparative numbers have been restated.

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:
- Vacation Pay Provision -value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts Provision -,estimated expenses incurred by each program.

Calgary Rocky View Child and Family Services Authority

Financial Statements

For the year ended March 31, 2002

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Changes in Financial Position

Notes to the Financial Statements

Schedule of Expenses Detailed by Object

Schedule of Disclosure of Salary and Benefits

Schedule of Related Party Transactions

Schedule of Allocated Costs

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Calgary Rocky View Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Calgary Rocky View Child and Family Services Authority as at March 31, 2002 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn
CA
Auditor General

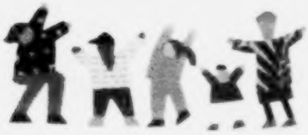
Edmonton, Alberta
May 22, 2002

Statement of Operations

For the year ended March 31, 2002

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 4)	$ 132,323	$ 134,689	$ 124,606
Recoveries - Resident on Reserve	750	881	1,328
Recoveries - Inter-Authority Services	775	324	593
Miscellaneous Revenue	1,172	1,443	1,158
	135,020	137,337	127,685
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	850	572	828
Program Support Services (Note 3)	2,054	3,730	1,500
Services to Children and Families:			
Child Welfare	89,837	88,435	85,014
Children with Disabilities	17,128	20,132	15,242
Day Care	17,530	15,158	16,513
Early Intervention	4,266	4,177	4,786
Prevention of Family Violence	2,580	2,489	2,432
Inter-Authority Services	775	324	593
Valuation Adjustments:			
Vacation Pay (Note 2)	-	377	152
Amortization	-	110	-
	135,020	135,504	127,060
Net Operating Results	$ -	$1,833	$625

The accompanying notes and schedules are part of these financial statements.

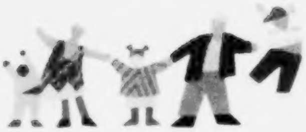


Statement of Financial Position

As at March 31, 2002

	(In thousands) 2002	2001
Assets		
Cash	$ 9,012	$ 7,057
Accounts Receivable (Note 5)	2,534	3,388
Capital Assets (Note 6)	219	-
	$ 11,765	$ 10,445
Liabilities		
Accounts Payable and Accrued Liabilities (Note 7)	$ 8,532	$ 9,166
Unearned Revenue	121	-
	8,653	9,166
Net Assets (Liabilities)		
Net Assets at Beginning of Year	1,279	654
Net Operating Results	1,833	625
Net Assets at End of Year	3,112	1,279
	$ 11,765	$ 10,445

The accompanying notes and schedules are part of these financial statements.



Statement of Changes in Financial Position

For the year ended March 31, 2002

	(In thousands)	
	2002	**2001**
Operating Transactions		
Net Operating Results	$ 1,833	$ 625
Non-Cash Items		
Amortization of Capital Assets	110	-
Valuation Adjustments	377	152
	2,320	777
Decrease in Accounts Receivable	854	6,098
(Decrease) Increase in Accounts Payable and Accrued Liabilities[a]	(1,011)	182
Increase in Unearned Revenue	121	-
Cash Provided by Operating Transactions	2,284	7,057
Investing Transactions		
Purchases of Capital Assets	(329)	-
Cash Used by Investing Transactions	(329)	-
Cash Provided	1,955	7,057
Cash, Beginning of Year	7,057	-
Cash, End of Year	$ 9,012	$ 7,057

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

NOTE 1 AUTHORITY AND PURPOSE

The Calgary Rocky View Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1998 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

Reporting Entity

The reporting entity is the Calgary Rocky View Child and Family Services Authority, which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Cash received for which goods or services have not been provided by year-end is recorded as unearned revenue.

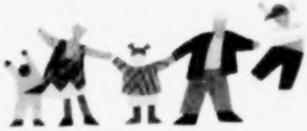
Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserves.

Monetary donations from external sources are recorded as revenue when received.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.



NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd.)

Directly incurred costs include:

- amortization of capital assets
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

Cash, accounts receivables, and advances are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. Only major enhancements of existing systems of $25,000 and over are capitalized.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2001-2002 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 31, 2001. The Authority approved the budget of $135,020 on April 6, 2001.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be significant variance between the amount recognized in the financial statements and another possible amount.

Accounts payable and accrued liabilities recorded as $8,532 in these financial statements are subject to measurement uncertainty. The estimates are based on vendors being six to eight weeks in arrears in billing the Authority. This was arrived through input from the senior management team. The actual amount could vary significantly from that estimated.

NOTE 3 ACCOUNTING POLICY CHANGE (In thousands)

Effective April 1, 2001, the accounting policy on information technology costs changed. The cost incurred to support the Authority was recorded in the financial statements of the Department of Children's Services in 2000/2001, but is included in the Authority's financial statements for the 2001/2002 fiscal year. The reason for the change is to show the full costs of the services that the Authority provides.

This accounting policy is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable. The effect of the change is to increase the grant from the Department of Children's Services and increase the program support services expense by $2,054 on the Statement of Operations. On Schedule 1, the effect of the change is to increase supplies and services by $2,054. Net assets at the beginning of the year would not have been impacted by the accounting policy change as any expenses recognized would have been offset by an increase in the grant from the Department of Children's Services.

NOTE 4 GRANT FROM THE DEPARTMENT OF CHILDREN'S SERVICES

The grant was determined as follows:

	(In thousands)
Original budget	$ 132,323
Additional funding provided for the current year	2,366
Grant for the Year	$ 134,689

NOTE 5 ACCOUNTS RECEIVABLE

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands)	
	2002	2001
Department of Children's Services	$ 2,409	$ 2,406
Inter-Authority Receivables	26	93
Other	99	889
	$ 2,534	$ 3,388

NOTE 6 CAPITAL ASSETS

(In thousands)

	2002				2001
	Estimated Useful Life	Cost Amortization	Accumulated Value	Net Book Value	Net Book
Systems Development	3	$ 329	$ 110	$ 219	$ -

NOTE 7 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities are comprised of transactions with related parties which include other Child and Family Services Authorities and the remaining transactions are with external parties.

(In thousands)

	2002	2001
Accrued Vacation Pay	$ 2,343	$ 1,966
Inter-Authority Payable	18	515
Trade Payable	6,171	6,685
	$ 8,532	$ 9,166

NOTE 8 COMMITMENTS

As at March 31, 2002, the Authority has the following commitments:

(In thousands)

	2002	2001
Long-term leases(a)	$ 28	$ 52

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2005. The aggregate amounts payable for the unexpired terms of these leases are as follows:

(In thousands)

2003	$	15
2004	$	9
2005	$	4

NOTE 9 THIRD PARTY AGREEMENTS (In thousands)

The Authority has entered into three third party agreements with the Student Health Partnership, Human Resources and Employment, and Community Development for various program services. The revenues of $1,171 (2001 - $1,158); expenses of $1,120 (2001 - $500); and unearned revenue of $121 resulting from these agreements are included in the financial statements.

	(In thousands)	
	2002	**2001**
Student Health Partnership	$ 941	$ 928
Human Resources and Employment	230	230
Community Development	(1,120)	(500)

NOTE 10 VOLUNTARY CONTRIBUTIONS

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

NOTE 11 COMPARATIVE FIGURES

Certain 2001 figures have been reclassified to conform to the 2002 presentation.

NOTE 12 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Authority.

Expenses Detailed by Object

For the year ended March 31, 2002

SCHEDULE 1

	2002 Budget	2002 Actual	2001 Actual
	(In thousands)		
Manpower[a]	$ 27,004	$ 23,702	$ 20,725
Supplies and services (Note 3)	92,619	97,182	90,566
Supplies and Services from Support Service Arrangement	1,120	1,120	500
Grants	13,502	13,231	14,474
Amortization of Capital Assets		110	-
Inter-Authority Services	775	324	593
Other	-	415	202
	$ 135,020	$ 136,084	$ 127,060
Less: Recovery from Alberta Human Resources and Employment	-	(580)	-
	$ 135,020	$ 135,504	$ 127,060

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services assigned to the Authority. This includes $45,232 (2001 - $109,836) in achievement bonuses for management and non union staff.

(b) The Authority receives human resource, financial and other administrative support services from the Department of Community Development.

Disclosure of Salary and Benefits

For the year ended March 31, 2002

SCHEDULE 2

	(In thousands)			
	2002			2001
	Salary (1)	Benefits and Allowances (2)	Total	Total
Co-Chair of the Authority	$ 10	$ -	$ 10	$ 9
Co-Chair of the Authority	$ 12	$ -	$ 12	$ 13
Board Members (11 members)	$ 39	$ -	$ 39	$ 31
Chief Executive Officer (3)(4)(5)	$ 150	$ 5	$ 155	$ 137

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

(3) The position was occupied by two individuals during the year.

(4) Automobile provided to the CEO, no dollar amount included in benefit and allowances.

(5) From June 1, 2001 to February 10, 2002, the CEO's services were shared with the Ma' Mowe Capital Region CFSA and Sakaw-Askiy CFSA which contributed its own share of the cost of salary and benefits. Full salary and benefits are disclosed in this schedule. Effective February 11, 2002, a new CEO was appointed for the Authority.

Related Party Transactions

For the year ended March 31, 2002

SCHEDULE 3

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority and its assigned employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

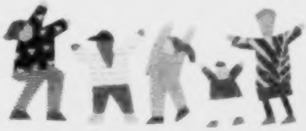
The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2002	2001	2002	2001 Revised
Revenues:				
Grant from the Department of Children's Services	$ 134,689	$ 124,606	$ -	$ -
Recoveries - Resident on Reserve	881	1,328	-	-
Recoveries - Inter-Authority Services	324	593	-	-
Other Ministries	-	-	230	230
	$ 135,894	$ 126,527	$ 230	$ 230
Expenses:				
Inter-Authority Services	$ 466	$ 1,452	$ -	$ -
Department of Children's Services	2,054	-	-	-
Ministry of Justice	-	-	-	20
	$ 2,520	$ 1,452	$ -	$ 20
Receivable from/(Payable to):				
Department of Children's Services	$ 2,409	$ 2,406	$ -	$ -
Sun Country Child and Family Services Authority	-	(15)	-	-
Southeast Alberta Child and Family Services Authority	-	9	-	-
Windsong Child and Family Services Authority	18	(292)	-	-
Hearthstone Child and Family Services Authority	(8)	(79)	-	-
Diamond Willow Child and Family Services Authority	3	(12)	-	-
Ribstone Child and Family Services Authority	(1)	(11)	-	-
West Yellowhead Child and Family Services Authority	1	9	-	-
Ma' Mowe Capital Region Child and Family Services Authority	(5)	(42)	-	-
Sakaigun Asky Child and Family Services Authority	-	9	-	-
Keystone Child and Family Services Authority	-	1	-	-
Region 14 Child and Family Services Authority	-	1	-	-
Ministry of Human Resources and Employment	-	-	-	230
	$ 2,417	$ 1,984	$ -	$ 230

The previous transactions do not include support service agreement arrangement transactions disclosed in schedule one.

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2002	2001 (Restated)
Expenses (notional):		
Accommodation	$ 3,787	$ 3,360
Administrative	698	636
Legal Services	650	443
	$ 5,135	$ 4,439



Allocated Costs

For the year ended March 31, 2002

SCHEDULE 4

(in thousands)

	2002							2001
	Expenses - Incurred by Others				Valuation Adjustments[5]			
Program	Expenses[1]	Accommodation Costs[2]	Administrative Costs[3]	Legal Services[4]	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses (Restated)
Program Support	$ 4,302	$ 94	$ 698	$ 97	$ 9	$ -	$ 5,200	$ 2,211
Child Welfare	88,435	3,276	-	553	326	-	92,590	88,454
Children with Disabilities	20,132	189	-	-	19	-	20,340	16,366
Day Care	15,158	212	-	-	21	-	15,391	16,731
Early Intervention	4,177	-	-	-	-	-	4,177	4,705
Prevention of Family Violence	2,489	16	-	-	2	-	2,507	2,439
Inter-Authority Services	324	-	-	-	-	-	324	593
Amortization	110	-	-	-	-	-	110	-
	$ 135,127	$ 3,787	$ 698	$ 650	$ 377	$ -	$ 140,639	$ 131,499

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources, administrative and information technology services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services.

(4) Costs for Legal Services, which were paid by Alberta Justice, were proportionately allocated to the Child Welfare program for legal services provided under the Child Welfare Act and to the Program Support program for general advice and assistance.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:

- Vacation Pay Provision - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

Hearthstone Child and Family Services Authority

Financial Statements

For the year ended March 31, 2002

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AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Hearthstone Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Hearthstone Child and Family Services Authority as at March 31, 2002 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn
CA
Auditor General

Edmonton, Alberta
May 16, 2002

Statement of Operations

For the year ended March 31, 2002

	(In thousands) 2002 Budget	2002 Actual	2001 Actual
Revenues			
Grant from the Department of Children's Services (Note 4)	$ 6,785	$ 7,472	$ 6,760
Recoveries - Resident on Reserve	57	182	109
Recoveries - Inter-Authority Services	70	162	314
Miscellaneous Revenue	-	18	17
	6,912	7,834	7,200
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	100	283	271
Program Support Services (Note 3)	649	455	231
Services to Children and Families:			
Child Welfare	3,968	4,493	4,055
Children with Disabilities	1,046	1,275	1,040
Day Care	352	468	381
Early Intervention	417	435	375
Prevention of Family Violence	310	264	253
Inter-Authority Services	70	162	314
Valuation Adjustments:			
Vacation Pay (Note 2)	-	26	52
	6,912	7,861	6,972
Net Operating Results	$ -	$ (27)	$ 228

The accompanying notes and schedules are part of these financial statements.

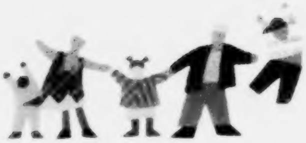
Hearthstone Child and Family Services Authority

Statement of Financial Position

As at March 31, 2002

	(In thousands)	
	2002	2001
Assets		
Cash	$ 139	$ 265
Accounts Receivable (Note 5)	411	414
	$ 550	$ 679
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	$ 495	$ 597
Net Assets (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	82	(146)
Net Operating Results	(27)	228
Net Assets at End of Year	55	82
	$ 550	$ 679

The accompanying notes and schedules are part of these financial statements.



Statement of Changes in Financial Position

For the year ended March 31, 2002

	(In thousands)	
	2002	2001
Operating Transactions		
Net Operating Results	$ (27)	$ 228
Non-Cash items		
Valuation Adjustments	26	52
	(1)	280
Decrease in Accounts Receivable	3	244
Decrease in Advances	-	1
(Decrease) in Accounts Payable and Accrued Liabilities[a]	(128)	(260)
Cash Provided (Used) by Operating Transactions	(126)	265
Cash, Beginning of Year	265	-
Cash, End of Year	$ 139	$ 265

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Notes to the Financial Statements
For the year ended March 31, 2002

NOTE 1 AUTHORITY AND PURPOSE

The Hearthstone Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. All individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

Reporting Entity

The reporting entity is the Hearthstone Child and Family Services Authority, which is part of the Ministry of Children's Services.

Basis of Financial Reporting

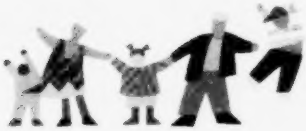
Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserves.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.



NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd.)

Directly incurred costs include:

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

Cash and accounts receivables are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. Only major enhancements of existing systems of $25,000 and over are capitalized.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2001-2002 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 31, 2001. The Authority approved the budget of $6,912 on April 20, 2001.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be significant variance between the amount recognized in the financial statements and another possible amount.

Accounts payable and accrued liabilities recorded as $495 in these financial statements is subject to measurement uncertainty, due to the fact that accruals were based on estimated calculated trends and prior period analysis as well as current child placement. The actual amount could vary significantly from that estimated.

Notes to the Financial Statements
For the year ended March 31, 2002

NOTE 3 ACCOUNTING POLICY CHANGE (In thousands)

Effective April 1, 2001, the accounting policy on information technology costs changed. The cost incurred to support the Authority was recorded in the financial statements of the Department of Children's Services in 2000/2001, but is included in the Authority's financial statements for the 2001/2002 fiscal year. The reason for the change is to show the full costs of the services that the Authority provides.

This accounting policy is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable. The effect of the change is to increase the grant from the Department of Children's Services and increase the program support services expense by $182 on the Statement of Operations. On Schedule 1, the effect of the change is to increase supplies and services by $182. Net assets at the beginning of the year would not have been impacted by the accounting policy change as any expenses recognized would have been offset by an increase in the grant from the Department of Children's Services.

NOTE 4 GRANT FROM THE DEPARTMENT OF CHILDREN'S SERVICES

The grant was determined as follows:

	(In thousands)
Original budget	$ 6,785
Additional funding provided for the current year	687
Grant for the Year	$ 7,472

NOTE 5 ACCOUNTS RECEIVABLE

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands) 2002	2001
Department of Children's Services	$ 164	$ 328
Child and Family Services Authorities	32	-
Alberta Health and Wellness	208	-
Refunds from Suppliers	7	86
	$ 411	$ 414

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities are comprised of transactions with related parties such as other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands)	
	2002	**2001**
Child and Family Services Authorities	$ 18	$ 80
Accrued Vacation Pay	177	136
Trade Payable	300	381
	$ 495	$ 597

NOTE 7 COMMITMENTS

As at March 31, 2002, the Authority has the following commitments:

	(In thousands)	
	2002	**2001**
Long-term leases(a)	$ 64	$ 121
	$ 64	$ 121

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2005. The aggregate amounts payable for the unexpired terms of these leases are as follows:

(In thousands)	
2003	$ 38
2004	$ 24
2005	$ 2

NOTE 8 VOLUNTARY CONTRIBUTIONS

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

NOTE 9 COMPARATIVE FIGURES

Certain 2001 figures have been reclassified to conform to the 2002 presentation.

NOTE 10 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Authority.

Expenses Detailed by Object

For the year ended March 31, 2002

SCHEDULE 1

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Manpower[a]	$ 1,382	$ 1,953	$ 1,675
Supplies and services (Note 3)	4,769	5,526	4,597
Grants	691	422	334
Inter-Authority Services	70	162	314
Other	-	26	52
	6,912	8,089	6,972
Less: Recovery from Alberta Health and Wellness	-	(208)	-
Recovery from Alberta Human Resources and Employment	-	(20)	-
	$ 6,912	$ 7,861	$ 6,972

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $11,000 (2001 - $17,000) in achievement bonuses for management and non-union staff.

Disclosure of Salary and Benefits

For the year ended March 31, 2002

SCHEDULE 2

	(In thousands)			
	2002			2001
	Salary[1]	Benefits and Allowances[2]	Total	Total
Co-Chair of the Authority	$ 28	$ -	$ 28	$ 47
Co-Chair of the Authority[3]	$ 8	$ -	$ 8	$ -
Board Members (6 members)	$ 25	$ -	$ 25	$ 32
Chief Executive Officer	$ 83	$ 15	$ 98	$ 93

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

(3) The Authority is structured to have two Co-Chair positions. The second Co-Chair was not in place until September 2001.

Related Party Transactions
For the year ended March 31, 2002

SCHEDULE 3

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2002	2001	2002	2001
Revenues:				
Grant from the Department of Children's Services	$ 7,472	$ 6,757	$ -	$ -
Recoveries - Resident on Reserve	182	109	-	-
Recoveries - Inter-Authority Services	162	314	-	-
Transfer from Lottery Fund	-	-	-	3
	$ 7,816	$ 7,180	$ -	$ 3
Expenses:				
Inter-Authority Services Received	$ 190	$ 308	$ -	$ -
Department of Children's Services	182	-	-	-
	$ 372	$ 308	$ -	$
Receivable from/(Payable to):				
Department of Children's Services	$ 164	$ 197	$ -	$ -
Department of Human Resources and Employment	-	-	-	(1)
Sun Country Child and Family Services Authority	-	2	-	-
Southeast Alberta Child and Family Services Authority	-	1	-	-
Windsong Child and Family Services Authority	-	(5)	-	-
Calgary Rocky View Child and Family Services Authority	8	80	-	-
Diamond Willow Child and Family Services Authority	2	(55)	-	-
Ribstone Child and Family Services Authority	3	30	-	-
Sakaw-Askiy Child and Family Services Authority	-	1	-	-
Child and Family Services Authority Region 13	1	-	-	-
Silver Birch Child and Family Services Authority	-	(2)	-	-
	$ 178	$ 249	$ -	$ (1)

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2002	2001 (Restated)
Expenses (notional):		
Accommodation	$ 314	$ 226
Administrative	179	163
Legal Services	7	21
	$ 500	$ 410

Allocated Costs

For the year ended March 31, 2002

SCHEDULE 4

	(In thousands)							
	2002							2001
	Expenses - Incurred by Others				Valuation Adjustments[5]			
Program	Expenses[1]	Accommodation Costs[2]	Administrative Costs[3]	Legal Services[4]	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses (Restated)
Program Support	$ 738	$ 66	$ 179	$ -	$ 5	$ -	$ 988	$ 719
Child Welfare	4,493	223	-	7	19	-	4,742	4,279
Children with Disabilities	1,275	25	-	-	2	-	1,302	1,054
Day Care	468	-	-	-	-	-	468	388
Early Intervention	435	-	-	-	-	-	435	375
Prevention of Family Violence	264	-	-	-	-	-	264	253
Inter-Authority Services	162	-	-	-	-	-	162	314
	$ 7,835	$ 314	$ 179	$ 7	$ 26	$ -	$ 8,361	$ 7,382

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the Authority's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources, administrative and information technology services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services. In the prior year, these costs were not included in this schedule The comparative numbers have been restated.

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:
- Vacation Pay Provision - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

Diamond Willow Child and Family Services Authority

Financial Statements

For the year ended March 31, 2002

Auditor's Report

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Schedule of Related Party Transactions

Schedule of Allocated Costs

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Diamond Willow Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Diamond Willow Child and Family Services Authority as at March 31, 2002 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn
CA
Auditor General

Edmonton, Alberta
May 23, 2002

Statement of Operations

For the year ended March 31, 2002

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 4)	$ 27,692	$ 29,524	$ 25,870
Recoveries - Resident on Reserve	400	607	397
Recoveries - Inter-Authority Services	523	527	717
Miscellaneous Revenue	-	65	177
	28,615	30,723	27,161
Expenses: (Schedules 1 and 4)			
Program Support:			
Board Governance	115	579	602
Program Support Services (Note 3)	2,830	2,640	1,687
Services to Children and Families:			
Child Welfare	14,711	17,420	14,951
Children with Disabilities	3,982	4,004	3,939
Day Care	3,949	3,206	3,503
Early Intervention	1,537	1,247	1,225
Prevention of Family Violence	968	711	640
Inter-Authority Services	523	527	717
Valuation Adjustments:			
Vacation Pay (Note 2)	-	122	73
	28,615	30,456	27,337
Net Operating Results	$ -	$ 267	$ (176)

The accompanying notes and schedules are part of these financial statements.

Diamond Willow Child and Family Services Authority

Statement of Financial Position

As at March 31, 2002

	(In thousands)	
	2002	2001
Assets		
Cash	$ -	$ 1,634
Accounts Receivable (Note 5)	2,383	1,204
Advances	3	3
	$ 2,386	$ 2,841
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	$ 1,794	$ 2,794
Bank Indebtedness (Note 7)	278	-
	2,072	2,794
Net Assets		
Net Assets at Beginning of Year	47	223
Net Operating Results	267	(176)
Net Assets at End of Year	314	47
	$ 2,386	$ 2,841

The accompanying notes and schedules are part of these financial statements.

Statement of Changes in Financial Position

For the year ended March 31, 2002

	(In thousands) 2002	(In thousands) 2001
Operating Transactions		
Net Operating Results	$ 267	$ (176)
Non-Cash Items		
Valuation Adjustments	122	73
	389	(103)
Decrease (Increase) in Accounts Receivable	(1,179)	1,451
Increase in Advances	-	(1)
Increase (Decrease) in Accounts Payable and Accrued Liabilities[a]	(1,122)	287
Cash Provided (Used) by Operating Transactions	(1,912)	1,634
Cash, Beginning of Year	1,634	-
Cash/(Bank Indebtedness), End of Year	$ (278)	$ 1,634

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

NOTE 1 AUTHORITY AND PURPOSE

The Diamond Willow Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1,1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. All individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

Reporting Entity

The reporting entity is the Diamond Willow Child and Family Services Authority, which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserves.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd.)

Directly incurred costs include:

- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

Cash, accounts receivable, and advances are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. Only major enhancements of existing systems of $25,000 and over are capitalized.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2001-2002 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 31, 2001. The Authority approved the budget of $28,615 on November 1, 2001.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be significant variance between the amount recognized in the financial statements and another possible amount.

Accounts payable and accrued liabilities recorded as $1,794 in these financial statements is subject to measurement uncertainty. This is due to the fact that accruals were based on estimated calculated trends and prior period analysis. The actual amount could vary significantly from that estimated.

NOTE 3 ACCOUNTING POLICY CHANGE (In thousands)

Effective April 1, 2001, the accounting policy on information technology costs changed. The cost incurred to support the Authority was recorded in the financial statements of the Department of Children's Services in 2000/2001, but is included in the Authority's financial statements for the 2001/2002 fiscal year. The reason for the change is to show the full costs of the services that the Authority provides.

This accounting policy is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable. The effect of the change is to increase the grant from the Department of Children's Services and increase the program support services expense by $663 on the Statement of Operations. On Schedule 1, the effect of the change is to increase supplies and services by $663. Net assets at the beginning of the year would not have been impacted by the accounting policy change as any expenses recognized would have been offset by an increase in the grant from the Department of Children's Services.

NOTE 4 GRANT FROM THE DEPARTMENT OF CHILDREN'S SERVICES

The grant was determined as follows:

	(In thousands)
Original budget	$ 27,692
Additional funding provided for the current year	1,832
Grant for the Year	$ 29,524

NOTE 5 ACCOUNTS RECEIVABLE

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands) 2002	2001
Department of Children's Services	$ 686	$ 880
Child and Family Services Authorities	41	-
Refunds from Suppliers	1,655	324
Other	1	-
	$ 2,383	$ 1,204

Notes to the Financial Statements
For the year ended March 31, 2002

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands) 2002	(In thousands) 2001
Department of Children's Services	$ -	$ 241
Child and Family Services Authorities	27	-
Accrued Vacation Pay	776	499
Trade Payable	991	2,054
	$ 1,794	$ 2,794

NOTE 7 BANK INDEBTEDNESS

Any interest charges are recorded by the Department of Finance.

NOTE 8 COMMITMENTS

As at March 31, 2002, the Authority has the following commitments:

	(In thousands) 2002	(In thousands) 2001
Long-term leases (a)	$ 130	$ 124

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2006. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(In thousands)
2003	$ 64
2004	$ 45
2005	$ 16
2006	$ 5

NOTE 9 COMPARATIVE FIGURES

Certain 2001 figures have been reclassified to conform to the 2002 presentation.

NOTE 10 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Authority.

Expenses Detailed by Object

For the year ended March 31, 2002

SCHEDULE 1

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Manpower[a]	$ 5,723	$ 6,627	$ 5,445
Supplies and services (Note 3)	20,030	20,952	18,182
Grants	2,862	2,635	2,920
Inter-Authority Services	-	527	717
Other	-	122	73
	28,615	30,863	27,337
Less: Recovery from Alberta Health and Wellness	-	(348)	-
Recovery from Alberta Human Resources and Employment	-	(59)	-
	$ 28,615	$ 30,456	$ 27,337

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $21,354 (2001 - $46,345) in achievement bonuses for management and non-union staff.

Disclosure of Salary and Benefits

For the year ended March 31, 2002

SCHEDULE 2

	(In thousands)			
	2002			2001
	Salary[1]	Benefits and Allowances[2]	Total	Total
Co-Chair of the Authority	$ 12	$ -	$ 12	$ 13
Co-Chair of the Authority	$ 15	$ -	$ 15	$ 24
Board Members (10 members)	$ 42	$ -	$ 42	$ 67
Chief Executive Officer	$ 101	$ 22	$ 123	$ 113

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage,group life insurance, long and short term disability plans, professional memberships and tuition fees.

Related Party Transactions

For the year ended March 31, 2002

SCHEDULE 3

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2002	2001	2002	2001
Revenues:				
Grant from the Department of Children's Services	$ 29,524	$ 25,870	$ -	$ -
Recoveries - Resident on Reserve	607	397	-	-
Recoveries - Inter-Authority Services	527	717	-	-
Other (Prior Year Recoveries - Interauthority Services)	39	-	-	-
	$ 30,697	$ 26,984	$ -	$ -
Expenses				
Inter-Authority Services Received	$ 146	$ 273	$ -	$ -
Department of Children's Services	663	-	-	-
	$ 809	$ 273	$ -	$ -
Receivable from/(Payable to):				
Department of Children's Services	$ 686	586	$ -	$ -
Calgary Rocky View Child and Family Services Authority	(3)	15	-	-
Hearthstone Child and Family Services Authority	(1)	46	-	-
Ribstone Child and Family Services Authority	9	3	-	-
West Yellowhead Child and Family Services Authority	3	-	-	-
Keystone Child and Family Services Authority	10	87	-	-
Ma'mowe Capital Region Child and Family Services Authority	(5)	(56)	-	-
Region 14 Child and Family Services Authority	-	2	-	-
Silver Birch Child and Family Services Authority	1	-	-	-
	$ 700	$ 683	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2002	2001 (Restated)
Expenses (notional):		
Accommodation	$ 773	$ 738
Administrative	282	257
Legal Services	6	80
	$ 1,061	$ 1,075

Allocated Costs

For the year ended March 31, 2002

SCHEDULE 4

	(In thousands)							
	2002							2001
		Expenses - Incurred by Others			Valuation Adjustments(5)			
Program	Expenses(1)	Accommodation Costs(2)	Administrative Costs(3)	Legal Services(4)	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses (Restated)
Program Support	$ 3,219	$ 48	$ 282	$ -	$ 8	$ -	$ 3,557	$ 2,596
Child Welfare	17,420	617	-	6	97	-	18,140	15,667
Children with Disabilities	4,004	60	-	-	9	-	4,073	4,008
Day Care	3,206	48	-	-	8	-	3,262	3,556
Early Intervention	1,247	-	-	-	-	-	1,247	1,228
Prevention of Family Violence	711	-	-	-	-	-	711	640
Inter-Authority Services	527	-	-	-	-	-	527	717
	$ 30,334	$ 773	$ 282	$ 6	$ 122	$ -	$ 31,517	$ 28,412

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources, administrative and information technology services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services. In the prior year, these costs were not included in this schedule. The comparative numbers have been restated.

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:
- Vacation Pay Provision - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

Church
ALBERTA
CLEAN
Edmonton
SAFE
GREEN
Calgary

Ribstone

Ribstone Child and Family Services Authority

Financial Statements

For the year ended March 31, 2002

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Changes in Financial Position

Notes to the Financial Statements

Schedule of Expenses Detailed by Object

Schedule of Disclosure of Salary and Benefits

Schedule of Related Party Transactions

Schedule of Allocated Costs

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Ribstone Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Ribstone Child and Family Services Authority as at March 31, 2002 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn
CA
Auditor General

Edmonton, Alberta
May 23, 2002

Ribstone Child and Family Services Authority

Statement of Operations

For the year ended March 31, 2002

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 4)	$ 11,950	$ 11,660	$ 10,745
Recoveries - Resident on Reserve	420	259	380
Recoveries - Inter-Authority Services	181	187	145
Miscellaneous Revenue (Note 7)	-	203	67
	12,551	12,309	11,337
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	132	292	464
Program Support Services (Note 3)	1,609	1,037	910
Services to Children and Families:			
Child Welfare	6,488	5,942	5,641
Children with Disabilities	1,795	2,449	2,173
Day Care	1,151	1,210	1,277
Early Intervention	461	550	131
Prevention of Family Violence	734	643	533
Inter-Authority Services	181	187	145
Valuation Adjustments:			
Vacation Pay (Note 2)	-	43	33
	12,551	12,353	11,307
Net Operating Results	$ -	$ (44)	$ 30

The accompanying notes and schedules are part of these financial statements.

Ribstone Child and Family Services Authority

Statement of Financial Position

As at March 31, 2002

	(In thousands) 2002	2001
Assets		
Cash	$ 355	$ 141
Accounts Receivable (Note 5)	318	637
	$ 673	$ 778
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	$ 665	$ 726
Net Assets		
Net Assets at Beginning of Year	52	22
Net Operating Results	(44)	30
Net Assets at End of Year	8	52
	$ 673	$ 778

The accompanying notes and schedules are part of these financial statements.

Ribstone Child and Family Services Authority

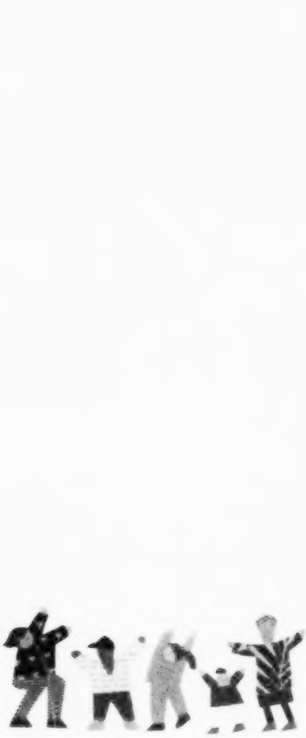
Statement of Changes in Financial Position

For the year ended March 31, 2002

	(In thousands) 2002	2001
Operating Transactions		
Net Operating Results	$ (44)	$ 30
Non-Cash Items		
Valuation Adjustments	43	33
	(1)	63
Decrease (Increase) in Accounts Receivable	319	(54)
Increase (Decrease) in Accounts Payable and Accrued Liabilities[a]	(104)	132
Cash Provided by Operating Transactions	214	141
Cash, Beginning of Year	141	-
Cash, End of Year	$ 355	$ 141

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.



NOTE 1 AUTHORITY AND PURPOSE

The Ribstone Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. All individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

Reporting Entity

The reporting entity is the Ribstone Child and Family Services Authority, which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Cash received for which goods or services have not been provided by year-end, is recorded as unearned revenue.

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserves.

Monetary donations from external sources are recorded as revenue when received.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd.)

Directly incurred costs include:

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

Cash and accounts receivable are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. Only major enhancements of existing systems of $25,000 and over are capitalized.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

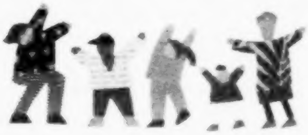
Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2001-2002 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 31, 2001. The Authority approved the budget of $12,551 on April 19, 2001.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be significant variance between the amount recognized in the financial statements and another possible amount.

The accounts receivable and accounts payable and accrued liabilities recorded as $318 and $665 respectively in these financial statements are subject to measurement uncertainty. The receivables and expenditures for the year end are based on estimates, calculated using a linear analysis of the prior year and current year expenditure trends as well as management input. The actual amount could vary significantly from that estimated.



NOTE 3 ACCOUNTING POLICY CHANGE (In thousands)

Effective April 1, 2001, the accounting policy on information technology costs changed. The cost incurred to support the Authority was recorded in the financial statements of the Department of Children's Services in 2000/2001, but is included in the Authority's financial statements for the 2001/2002 fiscal year. The reason for the change is to show the full costs of the services that the Authority provides.

This accounting policy is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable. The effect of the change is to increase the grant from the Department of Children's Services and increase the program support services expense by $263 on the Statement of Operations. On Schedule 1, the effect of the change is to increase supplies and services by $263. Net assets at the beginning of the year would not have been impacted by the accounting policy change as any expenses recognized would have been offset by an increase in the grant from the Department of Children's Services.

NOTE 4 GRANT FROM THE DEPARTMENT OF CHILDREN'S SERVICES

The grant was determined as follows:

	(In thousands)
Original budget	$ 11,950
Reduction in funding provided for the current year	(290)
Grant for the Year	$ 11,660

NOTE 5 ACCOUNTS RECEIVABLE

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands) 2002	2001
Department of Children's Services	$ 243	$ 470
Child and Family Services Authorities	16	94
Refunds from Suppliers	57	73
GST	2	-
	$ 318	$ 637

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities are comprised of transactions with related parties such as other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands) 2002	2001
Child and Family Services Authorities	$ 43	$ 174
Accrued Vacation Pay	242	192
Trade Payable	380	360
	$ 665	$ 726

NOTE 7 MISCELLANEOUS REVENUE

Miscellaneous revenue includes the following:

	(In thousands) 2002	2001
Prior Year Refunds	$ 53	$ 67
Home Visitation Grant	150	-
	$ 203	$ 67

NOTE 8 COMMITMENTS

As at March 31, 2002, the Authority has the following commitments:

	(In thousands) 2002	2001
Long-term leases[a]	$ 50	$ 139

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2004. The aggregate amounts payable for the unexpired terms of these leases are as follows:

(In thousands)	
2003	$ 4
2004	$ 34
2005	$ 12

NOTE 9 SUBSEQUENT EVENT

The Ministry has decided to change the boundary of the Authority effective April 1, 2002. The effect on the 2002-2003 budget has not been determined.

NOTE 10 VOLUNTARY CONTRIBUTIONS

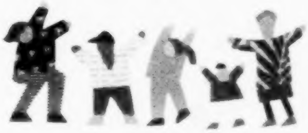
These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

NOTE 11 COMPARATIVE FIGURES

Certain 2001 figures have been reclassified to conform to the 2002 presentation.

NOTE 12 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Authority.



Expenses Detailed by Object

For the year ended March 31, 2002

SCHEDULE 1

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Manpower[a]	$ 2,510	$ 2,818	$ 2,547
Supplies and services (Note 3)	8,366	7,412	6,073
Grants	1,255	1,933	2,509
Inter-Authority Services	420	187	145
Other	-	43	33
	12,551	12,393	11,307
Less: Recovery from Alberta Human Resources and Employment	-	(40)	-
	$ 12,551	$ 12,353	$ 11,307

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $10,000 (2001 - $21,000) in achievement bonuses for management and non-union staff.

Disclosure of Salary and Benefits

For the year ended March 31, 2002

SCHEDULE 2

	(In thousands)			
	2002			2001
	Salary[1]	Benefits and Allowances[2]	Total	Total
Co-Chair of the Authority	$ 12	$ -	$ 12	$ 19
Co-Chair of the Authority	$ 16	$ -	$ 16	$ 25
Board Members (7 members)	$ 25	$ -	$ 25	$ 36
Chief Executive Officer	$ 97	$ 4	$ 101	$ 101

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

Related Party Transactions

For the year ended March 31, 2002

SCHEDULE 3

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2002	2001	2002	2001
Revenues:				
Grant from the Department of Children's Services	$ 11,660	$ 10,745	$ -	$ -
Recoveries - Resident on Reserve	259	380	-	-
Recoveries - Inter-Authority Services	187	145	-	-
Home Visitation Grant - Department of Children's Services	150	-	-	-
Other	-	3	-	-
	$ 12,256	$ 11,273	$ -	$ -
Expenses:				
Inter-Authority Services Received	$ 324	$ 368	$ -	$ -
Department of Children's Services	263	-	-	-
	$ 587	$ 368	$ -	$ -
Receivable from/(Payable to):				
Department of Children's Services	$ 243	$ 372	$ -	$ -
Windsong Child and Family Services Authority	-	2	-	-
Calgary Rocky View Child and Family Services Authority	1	11	-	-
Hearthstone Child and Family Services Authority	(3)	(53)	-	-
Diamond Willow Child and Family Services Authority	(9)	(3)	-	-
West Yellowhead Child and Family Services Authority	1	7	-	-
Keystone Child and Family Services Authority	3	27	-	-
Ma'mowe Capital Region Child and Family Services Authority	(23)	21	-	-
Sakaigun Asky Child and Family Services Authority	-	6	-	-
Metis Settlements Child and Family Services Authority	3	-	-	-
	$ 216	$ 390	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2002	2001 (Restated)
Expenses (notional):		
Accommodation	$ 421	$ 796
Administrative	168	153
Legal Services	38	29
	$ 627	$ 978

Allocated Costs

For the year ended March 31, 2002

SCHEDULE 4

	(In thousands)							
	2002							2001
	Expenses - Incurred by Others				Valuation Adjustments[5]			
Program	Expenses[1]	Accommodation Costs[2]	Administrative Costs[3]	Legal Services[4]	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses (Restated)
Program Support	$ 1,329	$ 42	$ 168	$ -	$ 4	$ -	$ 1,543	$ 1,608
Child Welfare	5,942	288	-	38	29	-	6,297	6,260
Children with Disabilities	2,449	63	-	-	7	-	2,519	2,277
Day Care	1,210	28	-	-	3	-	1,241	1,330
Early Intervention	550	-	-	-	-	-	550	131
Prevention of Family Violence	643	-	-	-	-	-	643	533
Inter-Authority Services	187	-	-	-	-	-	187	145
	$ 12,310	$ 421	$ 168	$ 38	$ 43	$ -	$ 12,980	$ 12,284

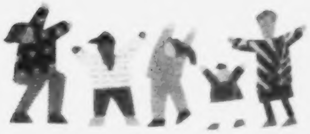
(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources, administrative and information technology services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services. In the prior year, these costs were not included in this schedule. The comparative numbers have been restated.

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:
- Vacation Pay Provision - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.



West Yellowhead

West Yellowhead Child and Family Services Authority

Financial Statements

For the year ended March 31, 2002

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Changes in Financial Position

Notes to the Financial Statements

Schedule of Expenses Detailed by Object

Schedule of Disclosure of Salary and Benefits

Schedule of Related Party Transactions

Schedule of Allocated Costs

AUDITOR GENERAL
Alberta

Auditor's Report

To the Members of the West Yellowhead Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the West Yellowhead Child and Family Services Authority as at March 31, 2002 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn

CA
Auditor General

Edmonton, Alberta
May 23, 2002

West Yellowhead Child and Family Services Authority

Statement of Operations

For the year ended March 31, 2002

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 4)	$ 13,632	$ 14,224	$ 13,106
Recoveries - Resident on Reserve	1,404	3,862	3,095
Recoveries - Inter-Authority Services	260	265	885
Miscellaneous Revenue	-	100	63
	15,296	18,451	17,149
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	597	472	392
Program Support Services (Note 3)	595	547	161
Services to Children and Families:			
Child Welfare	9,107	12,354	11,711
Children with Disabilities	1,611	1,526	1,289
Day Care	1,337	1,383	1,345
Early Intervention	1,077	974	1,046
Prevention of Family Violence	712	419	428
Inter-Authority Services	260	265	885
Valuation Adjustments:			
Vacation Pay (Note 2)	-	40	52
	15,296	17,980	17,309
Net Operating Results	$ -	$ 471	$ (160)

The accompanying notes and schedules are part of these financial statements.

Statement of Financial Position

As at March 31, 2002

	(In thousands) 2002	2001
Assets		
Cash	$ 74	$ -
Accounts Receivable (Note 5)	1,286	2,560
Advances	1	-
	$ 1,361	$ 2,560
Liabilities		
Bank Indebtedness (Note 6)	$ -	$ 621
Accounts Payable and Accrued Liabilities (Note 7)	1,267	2,316
	1,267	2,937
Net Assets (Liablities)		
Net Liabilities at Beginning of Year	(377)	(217)
Net Operating Results	471	(160)
Net Assets (Liabilities) at End of Year	94	(377)
	$ 1,361	$ 2,560

The accompanying notes and schedules are part of these financial statements.

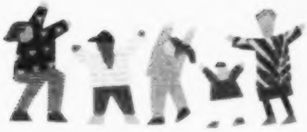
Statement of Changes in Financial Position

For the year ended March 31, 2002

	(In thousands) 2002	2001
Operating Transactions		
Net Operating Results	$ 471	$ (160)
Non-Cash Items		
Valuation Adjustments	40	52
	511	(108)
Decrease (Increase) in Accounts Receivable	1,274	(243)
Increase in Advances	(1)	-
Decrease in Accounts Payable and Accrued Liabilities[a]	(1,089)	(272)
Cash Provided (Used) by Operating Transactions	695	(623)
Cash/(Bank Indebtedness), Beginning of Year	(621)	2
Cash/(Bank Indebtedness), End of Year	$ 74	$ (621)

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.



Notes to the Financial Statements

For the year ended March 31, 2002

NOTE 1 AUTHORITY AND PURPOSE

The West Yellowhead Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. All individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

Reporting Entity

The reporting entity is the West Yellowhead Child and Family Services Authority, which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Cash received for which goods or services have not been provided by year-end, is recorded as unearned revenue.

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserves.

Monetary donations from external sources are recorded as revenue when received

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd.)

Directly incurred costs include:

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

Cash, accounts receivable, and advances are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. Only major enhancements of existing systems of $25,000 and over are capitalized.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2001-2002 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 31, 2001. The Authority approved the budget of $15,296 on May 24, 2001.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be significant variance between the amount recognized in the financial statements and another possible amount.

The accounts receivable and accounts payable and accrued liabilities recorded as $1,286 and $1,267 respectively in these financial statements are subject to measurement uncertainty. The receivables and expenditures for the year end are based on estimates, calculated using a linear analysis of the prior year and current year expenditure trends as well as management input. The actual amount could vary significantly from that estimated.

NOTE 3 ACCOUNTING POLICY CHANGE (In thousands)

Effective April 1, 2001, the accounting policy on information technology costs changed. The cost incurred to support the Authority was recorded in the financial statements of the

Department of Children's Services in 2000/2001, but is included in the Authority's financial statements for the 2001/2002 fiscal year. The reason for the change is to show the full costs of the services that the Authority provides.

This accounting policy is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable. The effect of the change is to increase the grant from the Department of Children's Services and increase the program support services expense by $395 on the Statement of Operations. On Schedule 1, the effect of the change is to increase supplies and services by $395. Net liabilities at the beginning of the year are not impacted by the accounting policy change as any expenses recognized are offset by an increase in the grant from the Department of Children's Services.

NOTE 4 GRANT FROM THE DEPARTMENT OF CHILDREN'S SERVICES

The grant was determined as follows:

	(In thousands)
Original budget	$ 13,632
Additional funding provided for the current year	215
Additional funding provided to eliminate the prior year deficit	377
Grant for the Year	$ 14,224

NOTE 5 ACCOUNTS RECEIVABLE

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands)	
	2002	2001
Department of Children's Services	$ 1,131	$ 2,552
Child and Family Services Authorities	64	-
GST	1	-
Alberta Health and Wellness	90	-
Out of Province Ward	-	8
	$ 1,286	$ 2,560

NOTE 6 BANK INDEBTEDNESS

Any interest charges were recorded by the Department of Finance.

NOTE 7 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands)	
	2002	2001
Child and Family Services Authorities	$ 189	$ 786
Accrued Vacation Pay	364	312
Trade Payable	714	1,218
	$ 1,267	$ 2,316

NOTE 8 COMMITMENTS

As at March 31, 2002, the Authority has the following commitments:

	(In thousands)	
	2002	2001
Long-term leases(a)	$ 81	$ 98

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2005. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(In thousands)
2003	$ 2
2004	$ 10
2005	$ 69

NOTE 9 VOLUNTARY CONTRIBUTIONS

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

NOTE 10 COMPARATIVE FIGURES

Certain 2001 figures have been reclassified to conform to the 2002 presentation.

NOTE 11 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Authority.

Expenses Detailed by Object

For the year ended March 31, 2002

SCHEDULE 1

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Manpower[a]	$ 3,059	$ 4,078	$ 3,207
Supplies and services (Note 3)	10,447	12,419	11,939
Grants	1,530	1,362	1,226
Inter-Authority Services	260	265	885
Other	-	40	52
	15,296	18,164	17,309
Less: Recovery from Alberta Health and Wellness		(90)	-
Recovery from Alberta Human Resources and Employment	-	(94)	-
	$ 15,296	$ 17,980	$ 17,309

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $9,000 (2001 - $23,000) in achievement bonuses for management and non-union staff.

Disclosure of Salary and Benefits

For the year ended March 31, 2002

SCHEDULE 2

	(In thousands)			
	2002			2001
	Salary[1]	Benefits and Allowances[2]	Total	Total
Co-Chair of the Authority	$ 18	$ -	$ 18	$ 21
Co-Chair of the Authority	$ 19	$ -	$ 19	$ 18
Board Members (5 members)	$ 27	$ -	$ 27	$ 39
Chief Executive Officer[3]	$ 90	$ 15	$ 105	$ 89

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

(3) The position was occupied by four individuals during the year.

Related Party Transactions

For the year ended March 31, 2002

SCHEDULE 3

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2002	2001	2002	2001
Revenues:				
Grant from the Department of Children's Services	$ 14,224	$ 13,106	$ -	$ -
Recoveries - Resident on Reserve	3,862	3,095	-	-
Recoveries - Inter-Authority Services	265	885	-	-
Prior Year - First Nations Recoveries	-	63	-	-
	$ 18,351	$ 17,149	$ -	$ -
Expenses:				
Inter-Authority Services Received	$ 1,245	$ 1,581	$ -	$ -
Department of Children's Services	395	-	-	-
	$ 1,640	$ 1,581	$ -	$ -
Receivable from/(Payable to):				
Department of Children's Services	$ 1,131	$ 1,797	$ -	$ -
Windsong Child and Family Services Authority	-	(3)	-	-
Calgary Rocky View Child and Family Services Authority	(1)	(9)	-	-
Diamond Willow Child and Family Services Authority	(3)	(2)	-	-
Ribstone Child and Family Services Authority	-	(6)	-	-
Keystone Child and Family Services Authority	-	1	-	-
Ma'mowe Capital Region Child and Family Services Authority	(175)	(187)	-	-
Sakaw-Askiy Child and Family Services Authority	55	195	-	-
Sakaigun Asky Child and Family Services Authority	2	(9)	-	-
Child and Family Services Authority Region 13	(2)	-	-	-
Region 14 Child and Family Services Authority	-	-	-	-
Awasak Child and Family Services Authority	(1)	(10)	-	-
Silver Birch Child and Family Services Authority	-	(1)	-	-
	$ 1,006	$ 1,766	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2002	2001 (Restated)
Expenses (notional):		
Accommodation	$ 434	$ 304
Administrative	162	147
Legal Services	172	61
	$ 768	$ 512

Allocated Costs

For the year ended March 31, 2002

SCHEDULE 4

(In thousands)

	2002							2001
	Expenses - Incurred by Others				Valuation Adjustments[5]			
Program	Expenses[1]	Accommodation Costs[2]	Administrative Costs[3]	Legal Services[4]	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses (Restated)
Program Support	$ 1,019	$ 31	$ 162	$ -	$ 3	$ -	$ 1,215	$ 719
Child Welfare	12,354	362	-	172	33	-	12,921	12,074
Children with Disabilities	1,526	26	-	-	2	-	1,554	1,311
Day Care	1,383	10	-	-	1	-	1,394	1,354
Early Intervention	974	5	-	-	1	-	980	1,048
Prevention of Family Violence	419	-	-	-	-	-	419	430
Inter-Authority Services	265	-	-	-	-	-	265	885
	$ 17,940	$ 434	$ 162	$ 172	$ 40	$ -	$ 18,748	$ 17,821

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources, administrative and information technology services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services. In the prior year, these costs were not included in this schedule. The comparative numbers have been restated.

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:
- Vacation Pay Provision - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

Keystone Child and Family Services Authority

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AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Keystone Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Keystone Child and Family Services Authority as at March 31, 2002 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn
CA
Auditor General

Edmonton, Alberta
May 23, 2002

Statement of Operations

For the year ended March 31, 2002

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 4)	$ 8,590	$ 9,666	$ 7,421
Recoveries - Resident on Reserve	3,000	3,587	2,904
Recoveries - Inter-Authority Services	-	8	51
Miscellaneous Revenue	-	16	6
	11,590	13,277	10,382
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	160	316	348
Program Support Services (Note 3)	790	588	133
Services to Children and Families:			
Child Welfare	7,871	9,113	8,460
Children with Disabilities	1,010	1,226	1,176
Day Care	815	732	755
Early Intervention	828	561	625
Prevention of Family Violence	116	137	112
Inter-Authority Services	-	8	51
Valuation Adjustments:			
Vacation Pay (Note 2)	-	50	34
	11,590	12,731	11,694
Net Operating Results	$ -	$ 546	$ (1,312)

The accompanying notes and schedules are part of these financial statements.

Statement of Financial Position

As at March 31, 2002

	(In thousands) 2002	(In thousands) 2001
Assets		
Cash	$ -	$ 32
Accounts Receivable (Note 5)	904	694
Advances	-	1
	$ 904	$ 727
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	$ 707	$ 1,225
Bank Indebtedness (Note 7)	149	-
	856	1,225
Net Assets (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	(498)	814
Net Operating Results	546	(1,312)
Net Assets (Liabilities) at End of Year	48	(498)
	$ 904	$ 727

The accompanying notes and schedules are part of these financial statements.

Statement of Changes in Financial Position

For the year ended March 31, 2002

	(In thousands) 2002	2001
Operating Transactions		
Net Operating Results	$ 546	$ (1,312)
Non-Cash Items		
Valuation Adjustments	50	34
	596	(1,278)
Decrease (Increase) in Accounts Receivable	(210)	701
Decrease in Advances	1	2
Increase (Decrease) in Accounts Payable and Accrued Liabilities[a]	(568)	607
Cash Provided (Used) by Operating Transactions	(181)	32
Cash, Beginning of Year	32	-
Cash/(Bank Indebtedness), End of Year	$ (149)	$ 32

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Notes to the Financial Statements
For the year ended March 31, 2002

NOTE 1 AUTHORITY AND PURPOSE

The Keystone Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

Reporting Entity

The reporting entity is the Keystone Child and Family Services Authority, which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserves.

Monetary donations from external sources are recorded as revenue when received.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd.)

Directly incurred costs include:

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

Cash, accounts receivables, and advances are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. Only major enhancements of existing systems of $25,000 and over are capitalized.

Liabilities

Bank indebtedness and accounts payable and accrued liabilities are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2001-2002 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 31, 2001. The Authority approved the budget of $11,590 on April 24, 2001.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be significant variance between the amount recognized in the financial statements and another possible amount.

Accounts payable and accrued liabilities recorded as $707 in these financial statements is subject to measurement uncertainty, due to the fact that accruals were based on estimated calculated trends and prior period analysis as well as current child placement. The actual amount could vary significantly from that estimated.

NOTE 3 ACCOUNTING POLICY CHANGE (In thousands)

Effective April 1, 2001, the accounting policy on information technology costs changed. The cost incurred to support the Authority was recorded in the financial statements of the Department of Children's Services in 2000/2001, but is included in the Authority's financial statements for the 2001/2002 fiscal year. The reason for the change is to show the full costs of the services that the Authority provides.

This accounting policy is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable. The effect of the change is to increase the grant from the Department of Children's Services and increase the program support services expense by $400 on the Statement of Operations. On Schedule 1, the effect of the change is to increase supplies and services by $400. Net assets (liabilities) at the beginning of the year are not impacted by the accounting policy change as any expenses recognized are offset by an increase in the grant from the Department of Children's Services.

NOTE 4 GRANT FROM THE DEPARTMENT OF CHILDREN'S SERVICES

The grant was determined as follows:

	(In thousands)
Initial (original) budget	$ 8,590
Additional funding provided for the current year	578
Additional funding provided to eliminate the prior year deficit	498
Grant for the Year	$ 9,666

NOTE 5 ACCOUNTS RECEIVABLE

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands)	
	2002	2001
Department of Children's Services	$ 878	$ 672
Refunds from Suppliers	25	22
Other	1	-
	$ 904	$ 694

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands)	
	2002	2001
Child and Family Services Authorities	$ 43	$ 394
Accrued Vacation Pay	284	203
Trade Payable	380	622
Other	-	6
	$ 707	$ 1,225

NOTE 7 BANK INDEBTEDNESS

Any interest charges are recorded by the Department of Finance.

NOTE 8 COMMITMENTS

As at March 31, 2002, the Authority has the following commitments:

	(In thousands)	
	2002	**2001**
Long-term leases[a]	$ 85	$ 87

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2005. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(In thousands)
2003	$ 53
2004	$ 28
2005	$ 4

NOTE 9 VOLUNTARY CONTRIBUTIONS

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

NOTE 10 COMPARATIVE FIGURES

Certain 2001 figures have been reclassified to conform to the 2002 presentation.

NOTE 11 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Authority.

Expenses Detailed by Object

For the year ended March 31, 2002

SCHEDULE 1

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Manpower[a]	$ 2,318	$ 3,508	$ 3,007
Supplies and services (Note 3)	8,113	8,615	7,980
Grants	1,159	576	622
Inter-Authority Services	-	8	51
Other	-	50	34
	11,590	12,757	11,694
Less: Recovery from Alberta Human Resources and Employment	-	(26)	-
	$ 11,590	$ 12,731	$ 11,694

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $15,494 (2001 - $13,481) in achievement bonuses for management and non-union staff.

Disclosure of Salary and Benefits

For the year ended March 31, 2002

SCHEDULE 2

	(In thousands)			
	2002			2001
	Salary[1]	Benefits and Allowances[2]	Total	Total
Co-Chair of the Authority[3]	$ 15	$ -	$ 15	$ 10
Co-Chair of the Authority[3]	$ 7	$ -	$ 7	$ 19
Chair of the Authority	$ -	$ -	$ -	$ 6
Board Members (5 members)	$ 39	$ -	$ 39	$ 36
Chief Executive Officer	$ 90	$ 15	$ 105	$ 97

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

(3) The position was occupied by one individual until September 1, 2001 and by two individuals for the remainder of the year.

Related Party Transactions

For the year ended March 31, 2002

SCHEDULE 3

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2002	2001	2002	2001
Revenues:				
Grant from the Department of Children's Services	$ 9,666	$ 7,421	$ -	$ -
Recoveries - Resident on Reserve	3,587	2,904	-	-
Recoveries - Inter-Authority Services	8	51	-	-
	$ 13,261	$ 10,376	$ -	$ -
Expenses:				
Inter-Authority Services Received	$ 496	$ 674	$ -	$ -
Department of Children's Services	400	-	-	-
	$ 896	$ 674	$ -	$ -
Receivable from/(Payable to):				
Department of Children's Services	$ 878	$ 571	$ -	$ -
Department of Human Resources and Employment	-	(6)	-	-
Hearthstone Child and Family Services Authority	-	1	-	-
Diamond Willow Child and Family Services Authority	(10)	(87)	-	-
Ribstone Child and Family Services Authority	(3)	(27)	-	-
Sakaigun Asky Child and Family Services Authority	-	(2)	-	-
Ma'mowe Capital Region Child and Family Services Authority	(30)	(212)	-	-
Neegan Awas'sak Child and Family Services Authority	-	33	-	-
	$ 835	$ 271	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2002	2001 (Restated)
Expenses (notional):		
Accommodation	$ 284	$ 306
Administrative	230	209
Legal Services	4	45
	$ 518	$ 560

Allocated Costs

For the year ended March 31, 2002

SCHEDULE 4

	(In thousands)							
	2002							2001
	Expenses - Incurred by Others				Valuation Adjustments[5]			
Program	Expenses[1]	Accommodation Costs[2]	Administrative Costs[3]	Legal Services[4]	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses (Restated)
Program Support	$ 904	$ 17	$ 230	$ -	$ 3	$ -	$ 1,154	$ 722
Child Welfare	9,113	211	-	4	37	-	9,365	8,758
Children with Disabilities	1,226	22	-	-	4	-	1,252	1,194
Day Care	732	17	-	-	3	-	752	766
Early Intervention	561	17	-	-	3	-	581	651
Prevention of Family Violence	137	-	-	-	-	-	137	112
Inter-Authority Services	8	-	-	-	-	-	8	51
	$ 12,681	$ 284	$ 230	$ 4	$ 50	$ -	$ 13,249	$ 12,254

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources, administrative and information technology services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services. In the prior year, these costs were not included in this schedule. The comparative numbers have been restated.

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:
- Vacation Pay Provision - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

Ma'mõwe Capital Region Child and Family Services Authority

Financial Statements

For the year ended March 31, 2002

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AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Ma'mowe Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Ma'mowe Child and Family Services Authority as at March 31, 2002 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn
CA
Auditor General

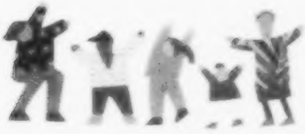
Edmonton, Alberta
May 17, 2002

Statement of Operations

For the year ended March 31, 2002

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 4)	$ 169,441	$ 181,848	$ 171,489
Recoveries - Resident on Reserve	3,250	3,072	3,207
Recoveries - Inter-Authority Services	3,971	2,526	3,371
Miscellaneous Revenue (Note 8)	1,293	4,504	1,224
	177,955	191,950	179,291
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	150	720	688
Program Support Services (Note 3)	7,503	7,053	1,112
Services to Children and Families:			
Child Welfare	113,278	127,055	117,882
Children with Disabilities	15,948	17,190	17,366
Day Care	28,126	23,874	26,373
Early Intervention	6,144	7,369	4,397
Prevention of Family Violence	2,835	2,870	2,457
Inter-Authority Services	3,971	2,526	3,371
Valuation Adjustments:			
Vacation Pay (Note 2)	-	552	197
Amortization	-	7	-
	177,955	189,216	173,843
Net Operating Results	$ -	$ 2,734	$ 5,448

The accompanying notes and schedules are part of these financial statements.



Ma'mowe Capital Region Child and Family Services Authority

Statement of Financial Position

As at March 31, 2002

	(In thousands) 2002	2001
Assets		
Cash	$ 5,593	$ 1,918
Accounts Receivable (Note 5)	6,475	8,017
Advances	5	-
Capital Assets (Note 6)	57	-
	$ 12,130	$ 9,935
Liabilities		
Accounts Payable and Accrued Liabilities (Note 7)	$ 10,732	$ 11,271
Net Assets (Liabilities)		
Net Liabilities at Beginning of Year	(1,336)	(6,784)
Net Operating Results	2,734	5,448
Net Assets (Liabilities) at End of Year	1,398	(1,336)
	$ 12,130	$ 9,935

The accompanying notes and schedules are part of these financial statements.

Statement of Changes in Financial Position

For the year ended March 31, 2002

	(In thousands) 2002	2001
Operating Transactions		
Net Operating Results	$ 2,734	$ 5,448
Non-Cash Items		
Amortization of Capital Assets	7	-
Valuation Adjustments	552	197
	3,293	5,645
Decrease (Increase) in Accounts Receivable	1,542	(624)
Increase in Advances	(5)	-
Decrease in Accounts Payable and Accrued Liabilities[a]	(1,091)	(3,111)
Cash Provided by Operating Transactions	3,739	1,910
Investing Transactions		
Purchases of Capital Assets	(64)	-
Cash Used by Investing Transactions	(64)	-
Cash Provided	3,675	1,910
Cash, Beginning of Year	1,918	8
Cash, End of Year	$ 5,593	$ 1,918

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Notes to the Financial Statements

For the year ended March 31, 2002

NOTE 1 AUTHORITY AND PURPOSE

The Ma'mowe Capital Region Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

Reporting Entity

The reporting entity is the Ma'mowe Capital Region Child and Family Services Authority which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserves.

Monetary donations from external sources are recorded as revenue when received.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd.)

Directly incurred costs include:

- amortization of capital assets
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

Cash, accounts receivable, and advances are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. Only major enhancements of existing systems of $25,000 and over are capitalized.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2001-02 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 31, 2001. The Authority approved the budget of $177,955 on March 29, 2001.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be significant variance between the amount recognized in the financial statements and another possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as $6,475 and $10,732 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities for this quarter end are based on estimates, calculated using a linear analysis of the prior year and current year expenditure trends as well as management input. The actual amount could vary significantly from that estimated.

NOTE 3 ACCOUNTING POLICY CHANGE (In thousands)

Effective April 1, 2001, the accounting policy on information technology costs changed. The cost incurred to support the Authority was recorded in the financial statements of the Department of Children's Services in 2000/2001, but is included in the Authority's financial statements for the 2001/2002 fiscal year. The reason for the change is to show the full costs of the services that the Authority provides.

This accounting policy is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable. The effect of the change is to increase the grant from the Department of Children's Services and increase the program support services expense by $3,532 on the Statement of Operations. On Schedule 1, the effect of the change is to increase supplies and services by $3,532. Net assets (liabilities) at the beginning of the year are not impacted by the accounting policy change as any expenses recognized are offset by an increase in the grant from the Department of Children's Services.

NOTE 4 GRANT FROM THE DEPARTMENT OF CHILDREN'S SERVICES

The grant was determined as follows:

	(In thousands)
Initial (original) budget	$ 169,441
Additional funding provided for the current year	11,071
Additional funding provided to eliminate the prior year deficit	1,336
Grant for the Year	$ 181,848

NOTE 5 ACCOUNTS RECEIVABLE

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands) 2002	2001
Department of Children's Services	$ 4,343	$ 5,702
Child and Family Services Authorities	470	1,338
Refunds from Suppliers	717	977
Student Health Initiative	813	-
Alberta Human Resources and Employment	57	-
Other	75	-
	$ 6,475	$ 8,017

NOTE 6 CAPITAL ASSETS

	(In thousands)				
	2002				2001
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Equipment	5	$ 64	$ 7	$ 57	$ -

NOTE 7 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands)	
	2002	2001
Department of Children's Services	$ -	$ 169
Child and Family Services Authorities	58	458
Accrued Vacation Pay	4,215	3,514
Trade Payable	6,459	7,130
	$ 10,732	$ 11,271

NOTE 8 MISCELLANEOUS REVENUE

Miscellaneous revenues include the following:

	(In thousands)	
	2002	2001
Donations	$ 64	$ 33
Recoveries of costs incurred under an agreement (see Note 9)	1,693	794
Home Visitation Grant	1,500	-
Other miscellaneous revenue	1,247	397
	$ 4,504	$ 1,224

NOTE 9 COMMITMENTS

As at March 31, 2002, the Authority has the following commitments:

	(In thousands)	
	2002	2001
Long-term leases (a)	$ 17	$ 37

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2003. The aggregate amounts payable for the unexpired terms of these leases are $17 in 2003.

NOTE 10 THIRD PARTY AGREEMENTS

The Student Health Initiative is a joint initiative of provincial government partners in Education, Health, Mental Health and Ma'mowe Capital Region Child and Family Services Authority to deliver integrated health and related support services for children with special health needs registered in school programs. The program commenced June 2000. All costs incurred under this agreement are covered by reimbursement through approved provincial funds.

The revenues and expenses of $1,534 and the resulting account receivable of $813 are included in the financial statements.

A Shared Services Agreement between Ma'mowe Capital Region Child and Family Services Authority and Alberta Human Resources and Employment provides for seven full time equivalent (FTE) staff that are assigned to the Edmonton Crisis Unit. The agreement further provides Alberta Human Resources and Employment to reimburse Ma'mowe Capital Region Child and Family Services Authority for all salary and benefits costs associated with the seven FTE staff.

The revenues and expenses of $159 and the resulting account receivable of $57 are included in the financial statements.

NOTE 11 VOLUNTARY CONTRIBUTIONS

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

NOTE 12 COMPARATIVE FIGURES

Certain 2001 figures have been reclassified to conform to the 2002 presentation.

NOTE 13 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Authority.

Expenses Detailed by Object

For the year ended March 31, 2002

SCHEDULE 1

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Manpower[a]	$ 35,591	$ 42,637	$ 36,251
Supplies and services (Note 3)	120,597	123,179	110,214
Grants	17,796	21,173	23,808
Amortization of Capital Assets	-	7	-
Inter-Authority Services	3,971	2,526	3,371
Other	-	552	199
	177,955	190,074	173,843
Less: Recovery from Alberta Human Resources and Employment	-	(858)	-
	$ 177,955	$ 189,216	$ 173,843

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $76,000 (2001 - $165,000) in achievement bonuses for management and non-union staff.

Disclosure of Salary and Benefits

For the year ended March 31, 2002

SCHEDULE 2

(In thousands)

	2002			2001
	Salary[1]	Benefits and Allowances[2]	Total	Total
Co-Chair of the Authority	$ 6	$ -	$ 6	$ 11
Co-Chair of the Authority[3]	$ 13	$ -	$ 13	$ 10
Board Members (12 members)	$ 66	$ -	$ 66	$
Chief Executive Officer[4]	$ 155	$ 9	$ 164	$ 132

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

(3) Two individuals occupied this position during the year.

(4) Two individuals occupied this position during the year. The current CEO's services were shared with Calgary Rock View Child and Family Services Authority and Sakaw-Askiy Child and Family Services Authority who contributed their own share of the cost of salary and benefits. This represents full salary and benefits paid to the individual for the period of June 1, 2001 to March 31, 2002.

Related Party Transactions

For the year ended March 31, 2002

SCHEDULE 3

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2002	2001	2002	2001 (Restated)
Revenues:				
Grant from the Department of Children's Services	$ 181,848	$ 171,489	$ -	$ -
Recoveries - Resident on Reserve	3,072	3,207	-	-
Recoveries - Inter-Authority Services	2,526	3,371	-	-
Recoveries - Crisis Unit	873	-	-	-
Conditional Grant - Home Visitation Program (Dep't. of Children's Services)	1,500	-	-	-
Prior Year Revenue - Inter-Authority Services	14	74	-	-
Miscellaneous Revenue:				
Persons with Developmental Disabilities	-	-	53	-
Alberta Human Resources and Employment	-	-	159	-
	$ 189,833	$ 178,141	$ 212	$ -
Expenses:				
Inter-Authority Services Received	$ 229	$ 1,245	$ -	$ -
Department of Children's Services	3,532	-	-	-
	$ 3,761	$ 1,245	$ -	$ -
Receivable from/(Payable to):				
Department of Children's Services	$ 4,343	$ 5,533	$ -	$ -
Calgary Rocky View Child and Family Services Authority	12	26	-	-
Diamond Willow Child and Family Services Authority	5	26	-	-
Ribstone Child and Family Services Authority	23	(21)	-	-
West Yellowhead Child and Family Services Authority	175	205	-	-
Keystone Child and Family Services Authority	30	203	-	-
Sakaw-Askiy Child and Family Services Authority	85	462	-	-
Sakaigun Asky Child and Family Services Authority	68	(30)	-	-
Child and Family Services Authority Region 13	(9)	(2)	-	-
Neegan Awas'sak Child and Family Services Authority	2	-	-	-
Awasak Child and Family Services Authority	20	9	-	-
Silver Birch Child and Family Services Authority	1	-	-	-
Alberta Human Resources and Employment	-	-	57	-
Persons with Developmental Disabilities	-	-	15	64
	$ 4,755	$ 6,411	$ 72	$ 64

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2002	2001 (Restated)
Expenses (notional):		
Accommodation	$ 4,697	$ 4,470
Administrative	478	436
Legal Services	1,472	611
	$ 6,647	$ 5,517

Allocated Costs

For the year ended March 31, 2002

SCHEDULE 4

	(In thousands)							
	2002							2001
	Expenses - Incurred by Others				Valuation Adjustments(5)			
Program	Expenses(1)	Accommodation Costs(2)	Administrative Costs(3)	Legal Services(4)	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses (Restated)
Program Support	$ 7,773	$ 332	$ 478	$ 221	$ 39	$ -	$ 8,843	$ 2,414
Child Welfare	127,055	3,756	-	1,251	441	-	132,503	122,222
Children with Disabilities	17,197	338	-	-	40	-	17,575	17,836
Day Care	23,874	237	-	-	28	-	24,139	26,630
Early Intervention	7,369	23	-	-	3	-	7,395	4,419
Prevention of Family Violence	2,870	11	-	-	1	-	2,882	2,468
Inter-Authority Services	2,526	-	-	-	-	-	2,526	3,371
	$ 188,664	$ 4,697	$ 478	$ 1,472	$ 552	$ -	$ 195,863	$ 179,360

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources, administrative and information technology services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services. In the prior year, these costs were not included in this schedule. The comparitive numbers have been restated.

(4) Costs for Legal Services, which were paid by Alberta Justice, were proportionately allocated to the Child Welfare program for legal services provided under the Child Welfare Act and to the Program Support program for general advice and assistance.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:
- Vacation Pay Provision - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

Sakaw-Askiy Child and Family Services Authority

Financial Statements

For the year ended March 31, 2002

- Auditor's Report
- Statement of Operations
- Statement of Financial Position
- Statement of Changes in Financial Position
- Notes to the Financial Statements
- Schedule of Expenses Detailed by Object
- Schedule of Disclosure of Salary and Benefits
- Schedule of Related Party Transactions
- Schedule of Allocated Costs

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Sakaw-Askiy Child and Family Services Authority and the Minister of Children's Services

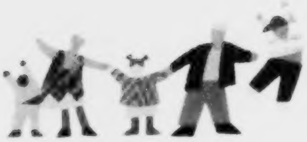
I have audited the statement of financial position of the Sakaw-Askiy Child and Family Services Authority as at March 31, 2002 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn
CA
Auditor General

Edmonton, Alberta
May 23, 2002



Sakaw-Askiy Child and Family Services Authority

Statement of Operations

For the year ended March 31, 2002

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 4)	$ 14,027	$ 18,954	$ 13,867
Recoveries - Resident on Reserve	98	314	487
Recoveries - Inter-Authority Services	-	63	288
Miscellaneous Revenue (Note 8)	-	49	-
	14,125	19,380	14,642
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	597	546	598
Program Support Services (Note 3)	364	368	-
Services to Children and Families:			
Child Welfare	9,142	12,432	10,936
Children with Disabilities	1,782	2,372	1,919
Day Care	1,136	1,343	1,351
Early Intervention	902	776	760
Prevention of Family Violence	202	217	177
Inter-Authority Services	-	63	288
Valuation Adjustments:			
Vacation Pay (Note 2)	-	1	55
	14,125	18,118	16,084
Net Operating Results	$ -	$ 1,262	$ (1,442)

The accompanying notes and schedules are part of these financial statements.

Statement of Financial Position

As at March 31, 2002

	(In thousands) 2002	2001
Assets		
Cash	$ 1,168	$ 434
Accounts Receivable (Note 5)	542	1,247
Advances	1	1
	$ 1,711	$ 1,682
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	$ 1,437	$ 2,670
Net Assets (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	(988)	454
Net Operating Results	1,262	(1,442)
Net Assets (Liabilities) at End of Year	274	(988)
	$ 1,711	$ 1,682

The accompanying notes and schedules are part of these financial statements.

Statement of Changes in Financial Position

For the year ended March 31, 2002

	(In thousands) 2002	(In thousands) 2001
Operating Transactions		
Net Operating Results	$ 1,262	$ (1,442)
Non-Cash Items		
Valuation Adjustments	1	55
	1,263	(1,387)
Decrease in Accounts Receivable	705	776
Increase (Decrease) in Accounts Payable and Accrued Liabilities[a]	(1,234)	1,044
Cash Provided by Operating Transactions	734	433
Cash, Beginning of Year	434	1
Cash, End of Year	$ 1,168	$ 434

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Notes to the Financial Statements

For the year ended March 31, 2002

NOTE 1 AUTHORITY AND PURPOSE

The Sakaw-Askiy Child and Family Services Authority operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999, and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. All individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

Reporting Entity

The reporting entity is the Sakaw-Askiy Child and Family Services Authority, which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserves.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd.)

Directly incurred costs include:

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

Cash, accounts receivable, and advances are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. Only major enhancements of existing systems of $25,000 and over are capitalized.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

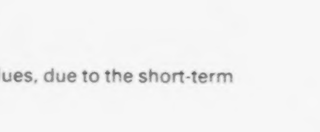
Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2001-2002 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 31, 2001. The Authority approved the budget of $14,125.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be significant variance between the amount recognized in the financial statements and another possible amount.

The accounts receivable in the amount of $542 and accounts payable and accrued liabilities in the amount of $1,437 were calculated based on management input, whereby the accruals were estimated with an average lag time of six to eight weeks. These estimates are subject to measurement uncertainty. The actual amount could vary significantly from that estimated.



NOTE 3 ACCOUNTING POLICY CHANGE (In thousands)

Effective April 1, 2001, the accounting policy on information technology costs changed. The cost incurred to support the Authority was recorded in the financial statements of the Department of Children's Services in 2000/2001, but is included in the Authority's financial statements for the 2001/2002 fiscal year. The reason for the change is to show the full costs of the services that the Authority provides.

This accounting policy is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable. The effect of the change is to increase the grant from the Department of Children's Services and increase the program support services expense by $364 on the Statement of Operations. On Schedule 1, the effect of the change is to increase supplies and services by $364. Net assets (liabilities) at the beginning of the year would not have been impacted by the accounting policy change as any expenses recognized would have been offset by an increase in the grant from the Department of Children's Services.

NOTE 4 GRANT FROM THE DEPARTMENT OF CHILDREN'S SERVICES

The grant was determined as follows:

	(In thousands)
Original budget	$ 14,027
Additional funding provided for the current year	3,939
Additional funding provided to eliminate the prior year deficit	988
Grant for the Year	$ 18,954

NOTE 5 ACCOUNTS RECEIVABLE

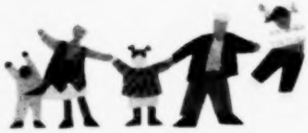
The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands)	
	2002	2001
Department of Children's Services	$ 390	$ 915
Child and Family Services Authorities	56	206
Refunds from Suppliers	95	126
GST Receivable	1	-
	$ 542	$ 1,247

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands)	
	2002	2001
Department of Children's Services	$ 264	$ 764
Child and Family Services Authorities	189	866
Accrued Vacation Pay	20	263
Trades Payable	859	777
Grants Payable	105	-
	$ 1,437	$ 2,670



Notes to the Financial Statements
For the year ended March 31, 2002

NOTE 7 COMMITMENTS

As at March 31, 2002, the Authority has the following commitments:

	(In thousands) 2002	2001
Service contracts	$ 260	$ -
Long-term leases[a]	79	47
	$ 339	$ 47

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2004. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(In thousands)
2003	$ 71
2004	$ 8

NOTE 8 MISCELLANEOUS REVENUES

Miscellaneous revenue includes the following:

	(In thousands) 2002	2001
Department of Children's Services	$ 45	$ -
Refund from Supplier	4	-
	$ 49	$ -

NOTE 9 SUBSEQUENT EVENT

The Ministry has decided to change the boundary of the Authority effective April 1, 2002. The effect on the 2002-2003 budget has not been determined.

NOTE 10 VOLUNTARY CONTRIBUTIONS

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

NOTE 11 COMPARATIVE FIGURES

Certain 2001 figures have been reclassified to conform to the 2002 presentation.

NOTE 12 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Authority.

Expenses Detailed by Object

For the year ended March 31, 2002

SCHEDULE 1

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Manpower[a]	$ 2,825	$ 3,657	$ 3,439
Supplies and services (Note 3)	9,888	13,309	11,132
Grants	1,412	1,135	1,170
Inter-Authority Services	-	63	288
Other	-	1	55
	$ 14,125	$18,165	$ 16,084
Less: Recovery from Alberta Human Resources and Employment	-	(47)	-
	$ 14,125	$ 18,118	$ 16,084

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $9,000 (2001 - $22,000) in achievement bonuses for management and non-union staff.

Disclosure of Salary and Benefits

For the year ended March 31, 2002

SCHEDULE 2

	(In thousands)			
	2002			2001
	Salary[1]	Benefits and Allowances[2]	Total	Total
Co-Chair of the Authority	$ 26	$ -	$ 26	$ 11
Co-Chair of the Authority	$ 13	$ -	$ 13	$ 17
Board Members (8 members)[3]	$ 61	$ -	$ 61	$ 58
Chief Executive Officer[4]	$ 149	$ 25	$ 175	$ 97

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

(3) One Board Member resigned December 28, 2001. This position remained vacant for the remainder of the year.

(4) The Chief Executive Officer position was occupied by two individuals through the year. The new Chief Executive Officer was effective for March 4, 2002, and is also the CEO for Ma'mowe Capital Region Child and Family Services Authority.

Related Party Transactions

For the period ended March 31, 2002

SCHEDULE 3

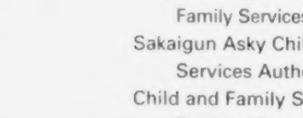
Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2002	2001	2002	2001
Revenues:				
Grant from the Department of Children's Services	$ 18,954	$ 13,867	$ -	$ -
Recoveries - Resident on Reserve	314	487	-	-
Recoveries - Inter-Authority Services	63	284	-	-
	$ 19,331	$ 14,638	$ -	$ -
Expenses:				
Inter-Authority Services Received	$ (3)	$ 1,649	$ -	$ -
Department of Children's Services	364	55	-	-
	$ 361	$ 1,704	$ -	$ -
Receivable from/(Payable to):				
Department of Children's Services	$ 126	$ 119	$ -	$ -
West Yellowhead Child and Family Services Authority	(55)	(66)	-	-
Ma'mowe Capital Region Child and Family Services Authority	(85)	(462)	-	-
Sakaigun Asky Child and Family Services Authority	-	(39)	-	-
Child and Family Services Authority Region 13	-	19	-	-
Neegan Awas'sak Child and Family Services Authority	-	(75)	-	-
Awasak Child and Family Services Authority	7	(55)	-	-
	$ (8)	$ (559)	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2002	2001 (Restated)
Expenses (notional):		
Accommodation	$ 331	$ 346
Administration	262	463
Legal Services	28	56
	$ 621	$ 865



Allocated Costs

For the year ended March 31, 2002

SCHEDULE 4

	(In thousands)							
	2002							2001
		Expenses - Incurred by Others			Valuation Adjustments[5]			
Program	Expenses[1]	Accommodation Costs[2]	Administrative Costs[3]	Legal Services[4]	Vacation Pay	Doubtfu Accounts	Total Expenses	Total Expenses (Restated)
Program Support	$ 914	$ 21	$ 262	$ -	$ -	$ -	$ 1,197	$ 1,086
Child Welfare	12,432	277	-	28	1	-	12,738	11,339
Children with Disabilities	2,372	11	-	-	-	-	2,383	1,925
Day Care	1,343	11	-	-	-	-	1,354	1,358
Early Intervention	776	11	-	-	-	-	787	775
Prevention of Family Violence	217	-	-	-	-	-	217	177
Inter-Authority Services	63	-	-	-	-	-	63	288
	$ 18,117	$ 331	$ 262	$ 28	$ 1	$ -	$ 18,739	$ 16,948

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

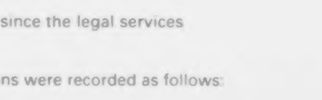
(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources, administrative and information technology services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services. In the prior year, these costs were not included in this schedule. The comparative numbers have been restated.

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:

- Vacation Pay Provision - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.



Sakaigun Asky Child and Family Services Authority

Financial Statements

For the year ended March 31, 2002

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Statement of Operations

Statement of Financial Position

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Schedule of Related Party Transactions

Schedule of Allocated Costs

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Sakaigun Asky Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Sakaigun Asky Child and Family Services Authority as at March 31, 2002 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn
CA
Auditor General

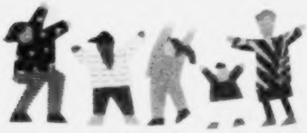
Edmonton, Alberta
May 23, 2002

Statement of Operations

For the year ended March 31, 2002

	2002 Budget	2002 Actual	2001 Actual
	(In thousands)		
Revenues			
Grant from the Department of Children's Services (Note 4)	$ 16,225	$ 16,590	$ 16,147
Recoveries - Resident on Reserve	755	828	890
Recoveries - Inter-Authority Services	348	1,098	421
Miscellaneous Revenue (Note 7)	60	118	39
	17,388	18,634	17,497
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	597	382	489
Program Support Services (Note 3)	520	510	39
Services to Children and Families:			
Child Welfare	10,424	11,084	10,321
Children with Disabilities	1,327	1,389	1,364
Day Care	1,613	1,507	1,554
Early Intervention	1,636	1,402	1,681
Prevention of Family Violence	923	937	1,070
Inter-Authority Services	348	1,098	421
Valuation Adjustments:			
Vacation Pay (Note 2)	-	81	86
	17,388	18,390	17,025
Net Operating Results	$ -	$ 244	$ 472

The accompanying notes and schedules are part of these financial statements.



Sakaigun Asky Child and Family Services Authority

Statement of Financial Position

As at March 31, 2002

	(In thousands)	
	2002	2001
Assets		
Cash	$ 936	$ 815
Accounts Receivable (Note 5)	1,097	1,108
Advances	1	1
	$ 2,034	$ 1,924
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	$ 1,556	$ 1,690
Net Assets (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	234	(238)
Net Operating Results	244	472
Net Assets at End of Year	478	234
	$ 2,034	$ 1,924

The accompanying notes and schedules are part of these financial statements.

Sakaigun Asky Child and Family Services Authority

Statement of Changes in Financial Position

For the year ended March 31, 2002

	(In thousands) 2002	(In thousands) 2001
Operating Transactions		
Net Operating Results	$ 244	$ 472
Non-Cash Items		
Valuation Adjustments	81	86
	325	558
Decrease in Accounts Receivable	11	173
Decrease in Advances	-	1
Increase (Decrease) in Accounts Payable and Accrued Liabilities[a]	(215)	83
Cash Provided by Operating Transactions	121	815
Cash, Beginning of Year	815	-
Cash, End of Year	$ 936	$ 815

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Notes to the Financial Statements

For the year ended March 31, 2002

NOTE 1 AUTHORITY AND PURPOSE

The Sakaigun Asky Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1,1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer, all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

Reporting Entity

The reporting entity is the Sakaigun Asky Child and Family Services Authority, which is part of the Ministry of Children's Services.

Basis of Financial Reporting

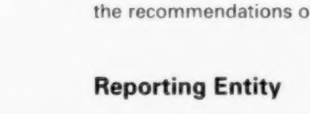
Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserves.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.



NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd.)

Directly incurred costs include:

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the CEO and for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

Cash, accounts receivable, and advances are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. Only major enhancements of existing systems of $25,000 and over are capitalized.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2001-2002 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 31, 2001. The Authority approved the budget of $17,388 on February 10, 2001.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be significant variance between the amount recognized in the financial statements and another possible amount.

Accounts payable and accrued liabilities recorded as $1,556 in these financial statements is subject to measurement uncertainty. Accruals have been estimated by vendor based on the billings outstanding as of March 31, 2002 using previous months invoices, and the individual financial plans per child. The actual amount could vary significantly from that estimated.

NOTE 3 ACCOUNTING POLICY CHANGE (In thousands)

Effective April 1, 2001, the accounting policy on information technology costs changed. The cost incurred to support the Authority was recorded in the financial statements of the Department of Children's Services in 2000/2001, but is included in the Authority's financial statements for the 2001/2002 fiscal year. The reason for the change is to show the full costs of the services that the Authority provides.

This accounting policy is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable. The effect of the change is to increase the grant from the Department of Children's Services and increase the program support services expense by $460 on the Statement of Operations. On Schedule 1, the effect of the change is to increase supplies and services by $460. Net assets (liabilities) at the beginning of the year would not have been impacted by the accounting policy change as any expenses recognized would have been offset by an increase in the grant from the Department of Children's Services.

NOTE 4 GRANT FROM THE DEPARTMENT OF CHILDREN'S SERVICES

The grant was determined as follows:

	(In thousands)
Original budget	$ 16,225
Additional funding provided for the current year	365
Grant for the Year	$ 16,590

NOTE 5 ACCOUNTS RECEIVABLE

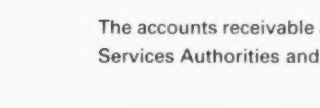
The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands)	
	2002	2001
Department of Children's Services	$ 622	$ 449
Child and Family Services Authorities	372	623
Refunds from Suppliers	14	-
Other	89	36
	$ 1,097	$ 1,108

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities are comprised of transactions with related parties such as other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands)	
	2002	2001
Child and Family Services Authorities	$ 196	$ 249
Accrued Vacation Pay	422	341
Trade Payable	938	1,100
	$ 1,556	$ 1,690



NOTE 7 MISCELLANEOUS REVENUES

Miscellaneous revenue includes the following:

	(In thousands)	
	2002	2001
Recoveries of costs incurred under an agreement (see Note 9)	$ 50	$ 39
Other miscellaneous revenue	68	
	$ 118	$ 39

NOTE 8 COMMITMENTS

As at March 31, 2002, the Authority has the following commitments:

	(In thousands)	
	2002	2001
Service contracts	$ 581	$ 254
Long-term leases[a]	111	212
	$ 692	$ 466

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2004. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(In thousands)
2003	$ 80
2004	$ 31

NOTE 9 THIRD PARTY AGREEMENT (In thousands)

In partnership with the Elk Island School Division, the Authority has entered into an agreement to delivery programs under the Student Health Initiative. The revenues and expenses of $50 and the resulting account receivable of $50 are included in the financial statements.

NOTE 10 SUBSEQUENT EVENT

The Ministry has decided to change the boundary of the Authority effective April 1, 2002. The effect on the 2002-2003 budget has not been determined.

NOTE 11 VOLUNTARY CONTRIBUTIONS

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

NOTE 12 COMPARATIVE FIGURES

Certain 2001 figures have been reclassified to conform to the 2002 presentation.

NOTE 13 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Authority.

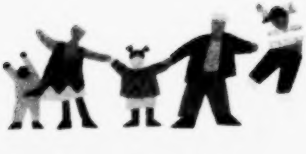
Expenses Detailed by Object

For the year ended March 31, 2002

SCHEDULE 1

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Manpower[a]	$ 3,478	$ 5,324	$ 3,815
Supplies and services (Note 3)	12,171	10,850	11,361
Grants	1,739	1,256	1,342
Inter-Authority Services	-	1,098	421
Other	-	81	86
	17,388	18,609	17,025
Less: Recovery from Alberta Human Resources and Employment	-	(35)	-
Recovery from Alberta Health and Wellness	-	(184)	-
	$ 17,388	$ 18,390	$ 17,025

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $15,000 (2001 - $21,000) in achievement bonuses for management and non-union staff.



Disclosure of Salary and Benefits

For the year ended March 31, 2002

SCHEDULE 2

(In thousands)

	2002			2001
	Salary[1]	Benefits and Allowances[2]	Total	Total
Co-Chair of the Authority	$ 13	$ -	$ 13	$ 14
Co-Chair of the Authority	$ 16	$ -	$ 16	$ 20
Board Members (5 members)	$ 34	$ -	$ 34	$
Chief Executive Officer	$ 102	$ 13	$ 115	$ 84

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

Related Party Transactions

For the year ended March 31, 2002

SCHEDULE 3

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2002	2001	2002	2001
Revenues:				
Grant from the Department of Children's Services	$ 16,590	$ 16,147	$ -	$ -
Recoveries - Resident on Reserve	828	890	-	-
Recoveries - Inter-Authority Services	1,098	421	-	-
	$ 18,516	$ 17,458	$ -	$ -
Expenses				
Inter-Authority Services Received	$ 466	$ 411	$ -	$ -
Department of Children's Services	460	-	-	-
	$ 926	$ 411	$ -	$ -
Receivable from/(Payable to):				
Department of Children's Services	$ 622	$ 852	$ -	$ -
Calgary Rocky View Child and Family Services Authority	-	(2)	-	-
Ribstone Child and Family Services Authority	-	(4)	-	-
West Yellowhead Child and Family Services Authority	(2)	2	-	-
Ma'mowe Capital Region Child and Family Services Authority	(68)	14	-	-
Sakaw-Askiy Child and Family Services Authority	-	23	-	-
Keystone Child and Family Services Authority	-	2	-	-
Neegan Awas'sak Child and Family Services Authority	-	(13)	-	-
Awasak Child and Family Services Authority	243	(37)	-	-
Metis Settlements Child and Family Services Authority	4	5	-	-
	799	$ 842	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2002	2001 (Restated)
Expenses (notional):		
Accommodation	$ 784	$ 465
Administrative	287	262
Legal Services	32	54
	$ 1,103	$ 781

Allocated Costs

For the year ended March 31, 2002

SCHEDULE 4

	(In thousands)							
	2002							2001
	Expenses - Incurred by Others				Valuation Adjustments(5)			
Program	Expenses(1)	Accommodation Costs(2)	Administrative Costs(3)	Legal Services(4)	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses (Restated)
Program Support	$ 892	$ 16	$ 287	$ -	$ 2	$ -	$ 1,197	$ 801
Child Welfare	11,084	704	-	32	73	-	11,893	10,869
Children with Disabilities	1,389	24	-	-	2	-	1,415	1,375
Day Care	1,507	40	-	-	4	-	1,551	1,587
Early Intervention	1,402	-	-	-	-	-	1,402	1,682
Prevention of Family Violence	937	-	-	-	-	-	937	1,071
Inter-Authority Services	1,098	-	-	-	-	-	1,098	421
	$ 18,309	$ 784	$ 287	$ 32	$ 81	$ -	$ 19,493	$ 17,806

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources, administrative services provided by the Regional Service Center (Alberta Corporate Service Centre), and and paid for by the Department of Children's Services. In the prior year, these costs were not included in this schedule. The comparative numbers have been restated

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:
- Vacation Pay Provision - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

Region 13

Child and Family Services Authority Region 13

Financial Statements

For the year ended March 31, 2002

Auditor's Report

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Schedule of Allocated Costs

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Child and Family Services Authority Region 13 and the Minister of Children's Services

I have audited the statement of financial position of the Child and Family Services Authority Region 13 as at March 31, 2002 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn
CA
Auditor General

Edmonton, Alberta
May 23, 2002

Statement of Operations

For the year ended March 31, 2002

	2002 Budget	2002 Actual	2001 Actual
	(In thousands)		
Revenues			
Grant from the Department of Children's Services (Note 4)	$ 15,237	$ 14,936	$ 14,409
Recoveries - Resident on Reserve	120	233	251
Recoveries - Inter-Authority Services	75	297	101
Miscellaneous Revenue	-	60	170
	15,432	15,526	14,931
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	580	558	491
Program Support Services (Note 3)	1,335	1,610	798
Services to Children and Families:			
Child Welfare	8,592	8,432	7,574
Children with Disabilities	1,687	1,364	1,460
Day Care	1,770	1,547	1,639
Early Intervention	794	798	713
Prevention of Family Violence	599	734	702
Inter-Authority Services	75	297	101
Valuation Adjustments:			
Vacation Pay (Note 2)	-	81	40
	15,432	15,421	13,518
Net Operating Results	$ -	$ 105	$ 1,413

The accompanying notes and schedules are part of these financial statements.

Child and Family Services Authority Region 13

Statement of Financial Position

As at March 31, 2002

	(In thousands)	
	2002	2001
Assets		
Cash	$ 1,006	$ 408
Accounts Receivable (Note 5)	437	780
Advances	3	7
	$ 1,446	$ 1,195
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	$ -	$ 726
Net Assets (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	469	(944)
Net Operating Results	105	1,413
Net Assets at End of Year	574	469
	$ 1,446	$ 1,195

The accompanying notes and schedules are part of these financial statements.

Statement of Changes in Financial Position

For the year ended March 31, 2002

	(In thousands) 2002	2001
Operating Transactions		
Net Operating Results	$ 105	$ 1,413
Non-Cash Items		
Valuation Adjustments	81	40
	186	1,453
Decrease (Increase) in Accounts Receivable	343	(501)
Decrease (Increase) in Advances	4	(6)
Increase (Decrease) in Accounts Payable and Accrued Liabilities[a]	65	(538)
Cash Provided by Operating Transactions	598	408
Cash, Beginning of Year	408	-
Cash, End of Year	$ 1,006	$ 408

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Notes to the Financial Statements

For the year ended March 31, 2002

NOTE 1 AUTHORITY AND PURPOSE

The Child and Family Services Authority Region 13 (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. All individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

Reporting Entity

The reporting entity is the Child and Family Services Authority Region 13, which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserves.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd.)

Directly incurred costs include:

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

Cash, accounts receivables, and advances are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. Only major enhancements of existing systems of $25,000 and over are capitalized.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2001-2002 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 31, 2001. The Authority approved the budget of $15,432 on March 22, 2001.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be significant variance between the amount recognized in the financial statements and another possible amount.

Accounts payable and accrued liabilities recorded as $872 in these financial statements are subject to measurement uncertainty. The actual amount could vary significantly from that estimated. These accruals have been estimated on prior months' averages.

Accounts receivable recorded as $437 in these financial statements are subject to measurement uncertainty. The actual amount could vary significantly from that estimated. These accruals have been estimated on prior months' averages.

NOTE 3 ACCOUNTING POLICY CHANGE (In thousands)

Effective April 1, 2001, the accounting policy on information technology costs changed. The cost incurred to support the Authority was recorded in the financial statements of the Department of Children's Services in 2000/2001, but is included in the Authority's financial statements for the 2001/2002 fiscal year. The reason for the change is to show the full costs of the services that the Authority provides.

This accounting policy is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable. The effect of the change is to increase the grant from the Department of Children's Services and increase the program support services expense by $435 on the Statement of Operations. On Schedule 1, the effect of the change is to increase supplies and services by $435. Net assets at the beginning of the year are not impacted by the accounting policy change as any expenses recognized are offset by an increase in the grant from the Department of Children's Services.

NOTE 4 GRANT FROM THE DEPARTMENT OF CHILDREN'S SERVICES

The grant was determined as follows:

	(In thousands)
Original budget	$ 15,237
Reduction in funding provided for the current year	(301)
Grant for the Year	$ 14,936

NOTE 5 ACCOUNTS RECEIVABLE

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands)	
	2002	2001
Department of Children's Services	$ 380	$ 378
Child and Family Services Authorities	57	82
Surplus Retention	-	320
	$ 437	$ 780

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities are comprised of transactions with related parties such as the Child and Family Services Authorities and transactions with external parties.

	(In thousands)	
	2002	2001
Child and Family Services Authorities	$ 68	$ 115
Accrued Vacation Pay	325	244
Trade Payable	479	367
	$ 872	$ 726

Notes to the Financial Statements
For the year ended March 31, 2002

NOTE 7 COMMITMENTS

As at March 31, 2002, the Authority has the following commitments:

	(In thousands) 2002	(In thousands) 2001
Service contracts	$ 2,203	$ 1,075
Long-term leases[a]	215	189
	$ 2,418	$ 1,264

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2007. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	(In thousands)
2003	$ 96
2004	$ 60
2005	$ 33
2006	$ 19
2007	$ 7

NOTE 8 SUBSEQUENT EVENT

The Ministry has decided to change the boundary of the Authority effective April 1, 2002. The effect on the 2002-2003 budget has not been determined.

NOTE 9 VOLUNTARY CONTRIBUTIONS

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

NOTE 10 COMPARATIVE FIGURES

Certain 2001 figures have been reclassified to conform to the 2002 presentation.

NOTE 11 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Authority.

Expenses Detailed by Object

For the year ended March 31, 2002

SCHEDULE 1

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Manpower[a]	$ 3,086	$ 3,905	$ 3,159
Supplies and services (Note 3)	10,728	9,726	8,730
Grants	1,543	1,453	1,488
Inter-Authority Services	75	297	101
Other	-	81	40
	15,432	15,462	13,518
Less: Recovery from Alberta Human Resources and Employment	-	(41)	-
	$ 15,432	$ 15,421	$ 13,518

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $13,000 (2001 - $25,000) in accrued achievement bonuses for management and non-union staff.

Disclosure of Salary and Benefits

For the year ended March 31, 2002

SCHEDULE 2

	(In thousands)			
	2002			2001
	Salary[1]	Benefits and Allowances[2]	Total	Total
Co-Chair of the Authority[3]	$ 22	$ -	$ 22	$ 23
Co-Chair of the Authority	$ 17	$ -	$ 17	$ 1
Board Members (11 members)	$ 56	$ -	$ 56	$ 67
Chief Executive Officer	$ 83	$ 14	$ 97	$ 105

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

(3) The position was occupied by two individuals during the year.

Related Party Transactions

For the year ended March 31, 2002

SCHEDULE 3

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2002	2001	2002	2001
Revenues:				
Grant from the Department of Children's Services	$ 14,936	$ 14,579	$ -	$ -
Recoveries - Resident on Reserve	233	251	-	-
Recoveries - Inter-Authority Services	297	101	-	-
Recoveries - Prior Year (Department of Children's Services and other Authorities)	60	170	-	-
	$ 15,526	$ 14,931	$ -	$ -
Expenses:				
Inter-Authority Services Received	$ 300	$ 411	$ -	$ -
Department of Children's Services	435	-	-	-
	$ 735	$ 411	$ -	$ -
Receivable from/(Payable to):				
Department of Children's Services	$ 380	$ 378	$ -	$ -
Hearthstone Child and Family Services Authority	(1)	-	-	-
Diamond Willow Child and Family Services Authority	-	5	-	-
West Yellowhead Child and Family Services Authority	2	-	-	-
Ma'mowe Capital Region Child and Family Services Authority	9	(67)	-	-
Sakaw-Askiy Child and Family Services Authority	-	3	-	-
Region 14 Child and Family Services Authority	18	(1)	-	-
Neegan Awasak Child and Family Services Authority	(39)	(5)	-	-
Awas'sak Child and Family Services Authority	-	24	-	-
Silver Birch Child and Family Services Authority	-	7	-	-
Metis Settlements Child and Family Services Authority	-	1	-	-
	$ 369	$ 345	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged.

The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2002	2001 (Restated)
Expenses (notional):		
Accommodation	$ 538	$ 606
Administrative	184	168
Legal Services	3	40
	$ 725	$ 814

Allocated Costs

For the year ended March 31, 2002

SCHEDULE 4

	(In thousands)							
	2002							2001
	Expenses - Incurred by Others				Valuation Adjustments[5]			
Program	Expenses[1]	Accommodation Costs[2]	Administrative Costs[3]	Legal Services[4]	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses (Restated)
Program Support	$ 2,168	$ 179	$ 184	$ -	$ 27	$ -	$ 2,558	$ 1,642
Child Welfare	8,432	332	-	3	50	-	8,817	8,029
Children with Disabilities	1,364	27	-	-	4	-	1,395	1,492
Day Care	1,547	-	-	-	-	-	1,547	1,653
Early Intervention	798	-	-	-	-	-	798	713
Prevention of Family Violence	734	-	-	-	-	-	734	702
Inter-Authority Services	297	-	-	-	-	-	297	101
	$ 15,340	$ 538	$ 184	$ 3	$ 81	$ -	$ 16,146	$ 14,332

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources, administrative and information technology services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services. In the prior year, these costs were not included in this schedule. The comparative numbers have been restated.

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:
- Vacation Pay Provision - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

Region 14

Region 14 Child and Family Services Authority

Financial Statements

For the year ended March 31, 2002

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Changes in Financial Position

Notes to the Financial Statements

Schedule of Expenses Detailed by Object

Schedule of Disclosure of Salary and Benefits

Schedule of Related Party Transactions

Schedule of Allocated Costs

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Region 14 Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Region 14 Child and Family Services Authority as at March 31, 2002 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn
CA
Auditor General

Edmonton, Alberta
May 23, 2002

Region 14 Child and Family Services Authority

Statement of Operations

For the year ended March 31, 2002

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 4)	$ 4,132	$ 4,182	$ 3,710
Recoveries - Resident on Reserve	175	232	191
Recoveries - Inter-Authority Services	56	66	50
Miscellaneous Revenue	-	31	74
	4,363	4,511	4,025
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	360	343	339
Program Support Services (Note 3)	387	439	314
Services to Children and Families:			
Child Welfare	1,975	2,274	1,933
Children with Disabilities	363	263	285
Day Care	361	368	347
Early Intervention	531	388	478
Prevention of Family Violence	330	322	367
Inter-Authority Services	56	66	50
Valuation Adjustments:			
Vacation Pay (Note 2)	-	1	2
	4,363	4,464	4,115
Net Operating Results	$ -	$ 47	$ (90)

The accompanying notes and schedules are part of these financial statements.

Statement of Financial Position

As at March 31, 2002

	(In thousands) 2002	2001
Assets		
Cash	$ 104	$ 167
Accounts Receivable (Note 5)	202	194
Advances	1	2
	$ 307	$ 363
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	$ 255	$ 358
Net Assets		
Net Assets at Beginning of Year	5	95
Net Operating Results	47	(90)
Net Assets at End of Year	52	5
	$ 307	$ 363

The accompanying notes and schedules are part of these financial statements.

Statement of Changes in Financial Position

For the year ended March 31, 2002

	(In thousands) 2002	2001
Operating Transactions		
Net Operating Results	$ 47	$ (90)
Non-Cash Items		
Valuation Adjustments	1	2
	48	(88)
Decrease (Increase) in Accounts Receivable	(8)	219
Decrease (Increase) in Advances	1	(1)
Increase (Decrease) in Accounts Payable and Accrued Liabilities[a]	(104)	37
Cash Provided (Used) by Operating Transactions	(63)	167
Cash, Beginning of Year	167	-
Cash, End of Year	$ 104	$ 167

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Notes to the Financial Statements
For the year ended March 31, 2002

NOTE 1 AUTHORITY AND PURPOSE

The Region 14 Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. All individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

Reporting Entity

The reporting entity is the Region 14 Child and Family Services Authority, which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserves.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd.)

Directly incurred costs include:

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

Cash, accounts receivables, and advances are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. Only major enhancements of existing systems of $25,000 and over are capitalized.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2001-2002 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 31, 2001. The Authority approved the budget of $4,363 on February 11, 2001.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be significant variance between the amount recognized in the financial statements and another possible amount.

Accounts payable and accrued liabilities recorded as $255 in these financial statements are subject to measurement uncertainty. The actual amount could vary significantly from that estimated. These accruals have been estimated on prior months' averages.

Accounts receivable recorded as $202 in these financial statements is subject to measurement uncertainty. The actual amount could vary significantly from that estimated. These accruals have been estimated on prior months' averages.

NOTE 3 ACCOUNTING POLICY CHANGE (In thousands)

Effective April 1, 2001, the accounting policy on information technology costs changed. The cost incurred to support the Authority was recorded in the financial statements of the Department of Children's Services in 2000/2001, but is included in the Authority's financial statements for the 2001/2002 fiscal year. The reason for the change is to show the full costs of the services that the Authority provides.

This accounting policy is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable. The effect of the change is to increase the grant from the Department of Children's Services and increase the program support services expense by $157 on the Statement of Operations. On Schedule 1, the effect of the change is to increase supplies and services by $157. Net assets at the beginning of the year are not impacted by the accounting policy change as any expenses recognized are offset by an increase in the grant from the Department of Children's Services.

NOTE 4 GRANT FROM THE DEPARTMENT OF CHILDREN'S SERVICES

The grant was determined as follows:

	(In thousands)
Original budget	$ 4,132
Increase in funding provided for the current year	50
Grant for the Year	$ 4,182

NOTE 5 ACCOUNTS RECEIVABLE

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands)	
	2002	**2001**
Department of Children's Services	$ 129	$ 150
Child and Family Services Authorities	7	9
Refunds from Suppliers	-	28
Expense Recovery from Alberta Health and Wellness	63	-
Other	3	7
	$ 202	$ 194

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities are comprised of transactions with related parties such as Child and Family Services Authorities and transactions are with external parties.

	(In thousands)	
	2002	**2001**
Child and Family Services Authorities	$ 65	$ 24
Accrued Vacation Pay	101	102
Trade Payable	89	232
	$ 255	$ 358

NOTE 7 COMMITMENTS

As at March 31, 2002, the Authority has the following commitments:

	(In thousands)	
	2002	**2001**
Service contracts	$ 45	$ 752
Long-term leases[a]	92	45
	$ 137	$ 797

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2007. The aggregate amounts payable for the unexpired terms of these leases are as follows:

(In thousands)		
2003	$	25
2004	$	20
2005	$	19
2006	$	17
2007	$	11

NOTE 8 SUBSEQUENT EVENT

The Ministry has decided to change the boundary of the Authority effective April 1, 2002. The effect on the 2002-2003 budget has not been determined.

NOTE 9 VOLUNTARY CONTRIBUTIONS

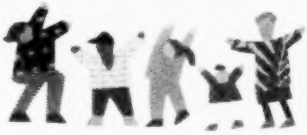
These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

NOTE 10 COMPARATIVE FIGURES

Certain 2001 figures have been reclassified to conform to the 2002 presentation.

NOTE 11 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Authority.



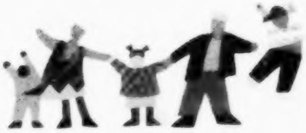
Expenses Detailed by Object

For the year ended March 31, 2002

SCHEDULE 1

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Manpower[a]	$ 873	$ 1,217	$ 1,065
Supplies and services (Note 3)	3,054	2,947	2,654
Grants	436	308	344
Inter-Authority Services	-	66	50
Other	-	1	2
	4,363	4,539	4,115
Less: Recovery from Alberta Health and Wellness	-	(63)	-
Recovery from Alberta Human Resources and Employment	-	(12)	-
	$ 4,363	$ 4,464	$ 4,115

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $6,000 (2001 - $12,000) in accrued achievement bonuses for management and non-union staff.



Disclosure of Salary and Benefits

For the year ended March 31, 2002

SCHEDULE 2

	(In thousands)			
	2002			2001
	Salary[1]	Benefits and Allowances[2]	Total	Total
Co-Chair of the Authority[3]	$ 33	$ -	$ 33	$ 29
Co-Chair of the Authority[3]	$ 24	$ -	$ 24	$ -
Board Members (9 members)	$ 55	$ -	$ 55	$ 52
Chief Executive Officer	$ 85	$ 14	$ 99	$ 90

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only. Benefits and Allowances include the employer's share of all employee benefits and contributions

(2) or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

(3) There was ony one Co-chair for 2001 as one of the previous Co-chairs resigned on October 1, 1999 and no one was appointed to replace her until September 1, 2001.

Related Party Transactions

For the year ended March 31, 2002

SCHEDULE 3

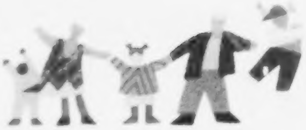
Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2002	2001	2002	2001
Revenues:				
Grant from the Department of Children's Services	$ 4,182	$ 3,710	$ -	$ -
Recoveries - Resident on Reserve	232	191	-	-
Recoveries - Inter-Authority Services	66	50	-	-
	$ 4,480	$ 3,951	$ -	$ -
Expenses:				
Inter-Authority Services Received	$ 294	$ 113	$ -	$ -
Department of Children's Services	157	-	-	-
	$ 451	$ 113	$ -	$ -
Receivable from/(Payable to):				
Department of Children's Services	$ 129	$ 150	$ -	$ -
Calgary Rocky View Child and Family Services Authority	-	(1)	-	-
Diamond Willow Child and Family Services Authority	-	(2)	-	-
Ribstone Child and Family Services Authority	-	(1)	-	-
Sakaw-Askiy Child and Family Services Authority	-	(18)	-	-
Child and Family Services Authority Region 13	(18)	1	-	-
Neegan Awas'sak Child and Family Services Authority	(41)	2	-	-
Awasak Child and Family Services Authority	-	1	-	-
Silver Birch Child and Family Services Authority	-	3	-	-
Metis Settlements Child and Family Services Authority	1	-	-	-
	$ 71	$ 135	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2002	2001 (Restated)
Expenses (notional)		
Accommodation	$ 419	$ 755
Administrative	161	147
Legal Services	-	10
	$ 580	$ 912



Allocated Costs

For the year ended March 31, 2002

SCHEDULE 4

	(In thousands)								
	2002								2001
		Expenses - Incurred by Others			Valuation Adjustments[5]				
Program	Expenses[1]	Accommodation Costs[2]	Administrative Costs[3]	Legal Services[4]	Vacation Pay	Doubtful Accounts		Total Expenses	Total Expenses (Restated)
Program Support	$ 782	$ 122	$ 161	$ -	$ -	$ -		$ 1,065	$ 995
Child Welfare	2,274	245	-	-	1	-		2,520	2,465
Children with Disabilities	263	17	-	-	-	-		280	300
Day Care	368	35	-	-	-	-		403	372
Early Intervention	388	-	-	-	-	-		388	478
Prevention of Family Violence	322	-	-	-	-	-		322	367
Inter-Authority Services	66	-	-	-	-	-		66	50
	$ 4,463	$ 419	$ 161	$ -	$ 1	$ -		$ 5,044	$ 5,027

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources, administrative and information technology services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services. In the prior year, these costs were not included in this schedule. The comparative numbers have been restated.

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:
- Vacation Pay Provision - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

Neegan Awas'sak Child and Family Services Authority

Financial Statements

For the year ended March 31, 2002

Auditor's Report

Statement of Operations

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Statement of Changes in Financial Position

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Schedule of Expenses Detailed by Object

Schedule of Disclosure of Salary and Benefits

Schedule of Related Party Transactions

Schedule of Allocated Costs

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Neegan Awas'sak Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Neegan Awas'sak Child and Family Services Authority as at March 31, 2002 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn
CA
Auditor General

Edmonton, Alberta
May 23, 2002

Statement of Operations

For the year ended March 31, 2002

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 4)	$ 8,037	$ 7,632	$ 6,650
Recoveries - Resident on Reserve	151	257	349
Recoveries - Inter-Authority Services	1,434	813	947
Miscellaneous Revenue	-	68	35
	9,622	8,770	7,981
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	360	280	284
Program Support Services (Note 3)	396	308	102
Services to Children and Families:			
Child Welfare	5,339	5,335	5,223
Children with Disabilities	387	558	444
Day Care	758	605	726
Early Intervention	631	519	565
Prevention of Family Violence	317	167	178
Inter-Authority Services	1,434	813	947
Valuation Adjustments:			
Vacation Pay (Note 2)	-	19	21
	9,622	8,604	8,490
Net Operating Results	$ -	$ 166	$ (509)

The accompanying notes and schedules are part of these financial statements.

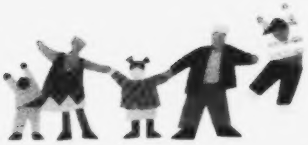
Neegan Awas'sak Child and Family Services Authority

Statement of Financial Position

As at March 31, 2002

	(In thousands)	
	2002	2001
Assets		
Cash	$ 174	$ 411
Accounts Receivable (Note 5)	614	882
	$ 788	$ 1,293
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	$ 465	$ 1,136
Net Assets		
Net Assets at Beginning of Year	157	666
Net Operating Results	166	(509)
Net Assets at End of Year	323	157
	$ 788	$ 1,293

The accompanying notes and schedules are part of these financial statements.



Neegan Awas'sak Child and Family Services Authority

Statement of Changes in Financial Position

For the year ended March 31, 2002

	(In thousands) 2002	(In thousands) 2001
Operating Transactions		
Net Operating Results	$ 166	$ (509)
Non-Cash Items		
Valuation Adjustments	19	21
	185	(488)
Decrease in Accounts Receivable	268	690
Increase (Decrease) in Accounts Payable and Accrued Liabilities[a]	(690)	209
Cash Provided (Used) by Operating Transactions	(237)	411
Cash, Beginning of Year	411	-
Cash, End of Year	$ 174	$ 411

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Notes to the Financial Statements
For the year ended March 31, 2002

NOTE 1 AUTHORITY AND PURPOSE

The Neegan Awas'sak Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. All individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

Reporting Entity

The reporting entity is the Neegan Awas'sak Child and Family Services Authority, which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, on behalf of children meeting the definition of ordinarily resident on reserves.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd.)

Directly incurred costs include:

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

Cash and accounts receivable are recorded at carrying values, which approximate fair values.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. Only major enhancements of existing systems of $25,000 and over are capitalized.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2001-2002 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 31, 2001. The authority approved the budget of $9,622 on April 6, 2001.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

The accounts receivable and accounts payable and accrued liabilities recorded as $614 and $465 respectively in these financial statements are subject to measurement uncertainty as there may be a significant variance in the estimate of outstanding accruals. These accruals have been estimated on prior months' averages.

NOTE 3 ACCOUNTING POLICY CHANGE (In thousands)

Effective April 1, 2001, the accounting policy on information technology costs changed. The cost incurred to support the Authority was recorded in the financial statements of the Department of Children's Services in 2000/2001, but is included in the Authority's financial statements for the 2001/2002 fiscal year. The reason for the change is to show the full costs of the services that the Authority provides.

This accounting policy is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable. The effect of the change is to increase the grant from the Department of Children's Services and increase the program support services expense by $303 on the Statement of Operations. On Schedule 1, the effect of the change is to increase supplies and services by $303. Net assets at the beginning of the year are not impacted by the accounting policy change as any expenses recognized are offset by an increase in the grant from the Department of Children's Services.

NOTE 4 GRANT FROM THE DEPARTMENT OF CHILDREN'S SERVICES

The grant was determined as follows:

	(In thousands)
Original budget	$ 8,037
Reduction in funding provided for the current year	(463)
Additional funding provided to eliminate the current year deficit	58
Grant for the Year	$ 7,632

NOTE 5 ACCOUNTS RECEIVABLE

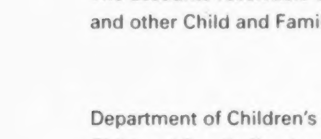
The accounts receivable are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands)	
	2002	2001
Department of Children's Services	$ 297	$ 346
Child and Family Services Authorities	108	509
Expense Recovery from Alberta Health and Wellness	204	-
Other	5	27
	$ 614	$ 882

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands)	
	2002	2001
Department of Children's Services	$ -	$ 430
Child and Family Services Authorities	18	139
Accrued Vacation Pay	249	250
Trade Payable and other	198	317
Total	$ 465	$ 1,136



NOTE 7 COMMITMENTS

As at March 31, 2002, the Authority has the following commitments:

	(In thousands)	
	2002	**2001**
Service contracts	$ 1,313	$ 2,361
Long-term leases[a]	195	230
	$ 1,508	$ 2,591

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2006. The aggregate amounts payable for the unexpired terms of these leases are as follows:

(In thousands)	
2003	$ 116
2004	$ 50
2005	$ 24
2006	$ 5

NOTE 8 VOLUNTARY CONTRIBUTIONS

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

NOTE 9 COMPARATIVE FIGURES

Certain 2001 figures have been reclassified to conform to the 2002 presentation.

NOTE 10 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Authority.

Expenses Detailed by Object

For the year ended March 31, 2002

SCHEDULE 1

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Manpower[a]	$ 1,924	$ 3,507	$ 3,168
Supplies and services (Note 3)	5,302	4,089	3,812
Grants	962	392	542
Inter-Authority Services	1,434	813	947
Other	-	19	21
	9,622	8,820	8,490
Less: Recovery from Alberta Health and Wellness	-	(204)	-
Recovery from Alberta Human Resources and Employment	-	(12)	-
	$ 9,622	$ 8,604	$ 8,490

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $11,000 (2001 - $21,000) in accrued achievement bonuses for management and non-union staff.

Disclosure of Salary and Benefits

For the year ended March 31, 2002

SCHEDULE 2

	(In thousands)			
	2002			2001
	Salary[1]	Benefits and Allowances[2]	Total	Total
Co-Chair of the Authority	$ 17	$ -	$ 17	$ 8
Co-Chair of the Authority[3]	$ 12	$ -	$ 12	$ 9
Board Members (7 members)	$ 40	$ -	$ 40	$ 33
Chief Executive Officer	$ 90	$ 15	$ 105	$ 104

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

(3) The position was occupied by two individuals during the year.

Related Party Transactions

For the year ended March 31, 2002

SCHEDULE 3

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2002	2001	2002	2001
Revenues:				
Grant from the Department of Children's Services	$ 7,632	$ 6,650	$ -	$ -
Recoveries - Resident on Reserve	257	349	-	-
Recoveries - Inter-Authority Services	813	947	-	-
	$ 8,702	$ 7,946	$ -	$ -
Expenses:				
Inter-Authority Services Received	$ 133	$ 110	$ -	$ -
Department of Children's Services	303	-	-	-
	$ 436	$ 110	$ -	$ -
Receivable from/(Payable to):				
Department of Children's Services	$ 297	$ (84)	$ -	$ -
Department of Human Resources and Employment	-	-	-	(2)
Ribstone Child and Family Services Authority	-	(1)	-	-
Keystone Child and Family Services Authority	-	(35)	-	-
Ma'mowe Capital Region Child and Family Services Authority	(2)	(5)	-	-
Sakaw-Askiy Child and Family Services Authority	-	264	-	-
Sakaigun Asky Child and Family Services Authority	-	105	-	-
Child and Family Services Authority Region 13	38	(10)	-	-
Region 14 Child and Family Services Authority	41	(2)	-	-
Awasak Child and Family Services Authority	-	(1)	-	-
Silver Birch Child and Family Services Authority	-	57	-	-
Metis Settlements Child and Family Services Authority	13	-	-	-
	$ 387	$ 288	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2002	2001 (Restated)
Expenses (notional):		
Accommodation	$ 503	$ 359
Administrative	183	167
Legal Services	4	27
	$ 690	$ 553

Allocated Costs

For the year ended March 31, 2002

SCHEDULE 4

	(In thousands)							
	2002							2001
	Expenses - Incurred by Others				Valuation Adjustments[5]			
Program	Expenses[1]	Accommodation Costs[2]	Administrative Costs[3]	Legal Services[4]	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses (Restated)
Program Support	$ 588	$ 23	$ 183	$ -	$ 1	$ -	$ 795	$ 572
Child Welfare	5,335	433	-	4	17	-	5,789	5,572
Children with Disabilities	558	31	-	-	1	-	590	463
Day Care	605	8	-	-	-	-	613	736
Early Intervention	519	8	-	-	-	-	527	565
Prevention of Family Violence	167	-	-	-	-	-	167	181
Inter-Authority Services	813	-	-	-	-	-	813	947
	$ 8,585	$ 503	$ 183	$ 4	$ 19	$ -	$ 9,294	$ 9,036

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources, administrative and information technology services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services. In the prior year, these costs were not included in this schedule. The comparative numbers have been restated.

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:
- Vacation Pay Provision - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

Power to the People
ALBERTA
safety
$
MAKING
society
HISTORY

Awasak Child and Family Services Authority

Financial Statements

For the year ended March 31, 2002

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Schedule of Disclosure of Salary and Benefits
Schedule of Related Party Transactions
Schedule of Allocated Costs

Auditor's Report

To the Members of the Awasak Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Awasak Child and Family Services Authority as at March 31, 2002 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn
CA
Auditor General

Edmonton, Alberta
May 23, 2002

Awasak Child and Family Services Authority

Statement of Operations

For the year ended March 31, 2002

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 4)	$ 8,639	$ 8,573	$ 6,799
Recoveries - Resident on Reserve	30	561	470
Recoveries - Inter-Authority Services	104	65	323
Miscellaneous Revenue (Note 7)	181	392	248
	8,954	9,591	7,840
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	360	265	337
Program Support Services (Note 3)	604	696	325
Services to Children and Families:			
Child Welfare	5,380	6,228	5,409
Children with Disabilities	1,108	1,011	960
Day Care	348	316	330
Early Intervention	661	451	522
Prevention of Family Violence	389	363	394
Inter-Authority Services	104	65	323
Valuation Adjustments:			
Vacation Pay (Note 2)	-	44	(74)
	8,954	9,439	8,526
Net Operating Results	$ -	$ 152	$ (686)

The accompanying notes and schedules are part of these financial statements.

Statement of Financial Position

As at March 31, 2002

	(In thousands) 2002	2001
Assets		
Cash	$ 570	$ 240
Accounts Receivable (Note 5)	360	576
	$ 930	$ 816
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	$ 794	$ 815
Unearned Revenue	-	17
	794	832
Net Assets (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	(16)	670
Net Operating Results	152	(686)
Net Assets (Liabilities) at End of Year	136	(16)
	$ 930	$ 816

The accompanying notes and schedules are part of these financial statements.

Awasak Child and Family Services Authority

Statement of Changes in Financial Position

For the year ended March 31, 2002

	(In thousands)	
	2002	2001
Operating Transactions		
Net Operating Results	$ 152	$ (686)
Non-Cash Items		
Valuation Adjustments	44	(74)
	196	(760)
Decrease in Accounts Receivable	216	746
Increase (Decrease) in Accounts Payable and Accrued Liabilities[a]	(65)	237
Increase (Decrease) in Unearned Revenue	(17)	17
Cash Provided by Operating Transactions	329	240
Cash, Beginning of Year	240	-
Cash, End of Year	$ 570	$ 240

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Notes to the Financial Statements

For the year ended March 31, 2002

NOTE 1 AUTHORITY AND PURPOSE

The Awasak Child and Family Services Authority operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

Reporting Entity

The reporting entity is the Awasak Child and Family Services Authority, which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserves.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (cont'd.)

Directly incurred costs include:

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for the Chief Executive Officer and for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

Cash and accounts receivable are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. Only major enhancements of existing systems of $25,000 and over are capitalized.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2001-2002 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 31, 2001. The Authority approved the draft Business Plan of $8,954 on February 14, 2001.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be significant variance between the amount recognized in the financial statements and another possible amount.

Accounts payable and accrued liabilities recorded as $794 in these financial statements is subject to measurement uncertainty. Accruals have been estimated using vendor-based information of prior billing periods and invoices received during the accrual period to March 31, 2002. The actual amount could vary significantly from that estimated.

NOTE 3 ACCOUNTING POLICY CHANGE (In thousands)

Effective April 1, 2001, the accounting policy on information technology costs changed. The cost incurred to support the Authority was recorded in the financial statements of the Department of Children's Services in 2000/2001, but is included in the Authority's financial statements for the 2001/2002 fiscal year. The reason for the change is to show the full costs of the services that the Authority provides.

This accounting policy is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable. The effect of the change is to increase the grant from the Department of Children's Services and increase the program support services expense by $273 on the Statement of Operations. On Schedule 1, the effect of the change is to increase supplies and services by $273. Net assets (liabilities) at the beginning of the year are not impacted by the accounting policy change as any expenses recognized are offset by an increase in the grant from the Department of Children's Services.

NOTE 4 GRANT FROM THE DEPARTMENT OF CHILDREN'S SERVICES

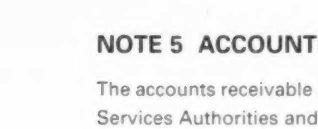
The grant was determined as follows:

	(In thousands)
Original budget	$ 8,639
Reduction in funding for current	(82)
Additional funding provided to eliminate prior year deficit	16
Grant for the Year	$ 8,573

NOTE 5 ACCOUNTS RECEIVABLE

The accounts receivable are comprised of transactions with the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands) 2002	2001
Department of Children's Services	$ 192	$ 453
Child and Family Services Authorities	43	123
Refunds from Suppliers	125	-
	$ 360	$ 576



NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands)	
	2002	**2001**
Department of Children's Services	$ 23	$ 38
Child and Family Services Authorities	312	27
Accrued Vacation Pay	167	113
Trade Payable	292	637
	$ 794	$ 815

NOTE 7 MISCELLANEOUS REVENUE

Miscellaneous revenue includes the following:

	(In thousands)	
	2002	**2001**
Donations	$ -	$ 1
Recoveries of costs incurred under agreements (Note 9)	314	247
Other miscellaneous revenue	78	-
	$ 392	$ 248

NOTE 8 COMMITMENTS

As at March 31, 2002, the Authority has the following commitments:

	(In thousands)	
	2002	**2001** **(Restated)**
Long-term leases[a]	$ 60	$ 75

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2007. The aggregate amounts payable for the unexpired terms of these leases are as follows:

(In thousands)		
2003	$	22
2004	$	16
2005	$	14
2006	$	4
2007	$	4

NOTE 9 THIRD PARTY AGREEMENT (In thousands)

In partnership with Wood Buffalo Student Health Partnership, through the Fort McMurray School Board Division 2833, the Authority has entered into an agreement to deliver services in the Fort McMurray area in Alberta. The Fort McMurray School Board Division 2833 covers all costs incurred under this agreement, and any surplus is returned to that Department.

The revenues and expenses of $275 (2001 $264) and the resulting account receivable $38 and accounts payable of $3 (2001 $1), are included in the financial statements.

In partnership with Human Resources and Employment, the Conklin Employment Service Centre, and the Authority has entered into an agreement to deliver services on the Conklin Settlements in Alberta. Human Resources and Employment cover all costs incurred under this agreement, and any surplus is returned to Human Resources and Employment.

The revenues and expenses of $39 (2001 $-) and the resulting account receivable of $7 (2001 $-), are included in the financial statements.

NOTE 10 VOLUNTARY CONTRIBUTIONS

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

NOTE 11 COMPARATIVE FIGURES

Certain 2001 figures have been reclassified to conform to the 2002 presentation.

NOTE 12 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Authority.

Expenses Detailed by Object

For the year ended March 31, 2002

SCHEDULE 1

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Manpower[a]	$ 1,791	$ 2,142	$ 2,344
Supplies and services (Note 3)	6,268	6,985	5,635
Grants	895	261	298
Inter-Authority Services	-	65	323
Other	-	44	(74)
	8,954	9,497	8,526
Less: Recovery from Alberta Human Resources and Employment	-	(2)	-
Recovery from Alberta Health and Wellness	-	(56)	-
	$ 8,954	$ 9,439	$ 8,526

[a] Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $8,000 (2001 - $17,000) in achievement bonuses for management and non-union staff.

Disclosure of Salary and Benefits

For the year ended March 31, 2002

SCHEDULE 2

	(In thousands)			
	2002			2001
	Salary[1]	Benefits and Allowances[2]	Total	Total
Co-Chair of the Authority	$ 7	$ -	$ 7	$ 6
Co-Chair of the Authority	$ 1	$ -	$ 1	$ 2
Board Members (7 members)	$ 10	$ -	$ 10	$ 21
Chief Executive Officer	$ 108	$ 19	$ 127	$ 117

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

Related Party Transactions
For the year ended March 31, 2002

SCHEDULE 3

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2002	2001 (Restated)	2002	2001
Revenues:				
Grant from the Department of Children's Services	$ 8,573	$ 6,799	$ -	$ -
Recoveries - Resident on Reserve	561	470	-	-
Recoveries - Inter-Authority Services	65	323	-	-
	$ 9,199	$ 7,592	$ -	$ -
Expenses:				
Inter-Authority Services Received	$ 813	$ 71	$ -	$ -
Department of Children's Services	273	-	-	-
	$ 1,086	$ 71	$ -	$ -
Receivable from/(Payable to):				
Department of Children's Services	$ 169	$ 415	$ -	$ -
Ma'mowe Capital Region Child and Family Services Authority	(20)	-	-	-
Sakaw-Askiy Child and Family Services Authority	(7)	55	-	-
West Yellowhead Child and Family Services Authority	1	-	-	-
Sakaigun Asky Child and Family Services Authority	(243)	39	-	-
Metis Settlements Child and Family Services Authority	-	2	-	-
	$ (100)	$ 511	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2002	2001 (Restated)
Expenses (notional):		
Accommodation	$ 249	$ 158
Administrative	207	189
Legal Services	1	28
	$ 457	$ 375

Allocated Costs

For the year ended March 31, 2002

SCHEDULE 4

(In thousands)

	2002							2001
	Expenses - Incurred by Others				Valuation Adjustments[5]			
Program	Expenses[1]	Accommodation Costs[2]	Administrative Costs[3]	Legal Services[4]	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses (Restated)
Program Support	$ 961	$ 52	$ 207	$ -	$ 9	$ -	$ 1,229	$ 1,029
Child Welfare	6,228	168	-	1	30	-	6,427	5,500
Children with Disabilities	1,011	17	-	-	3	-	1,031	964
Day Care	316	6	-	-	1	-	323	331
Early Intervention	451	6	-	-	1	-	458	522
Prevention of Family Violence	363	-	-	-	-	-	363	394
Inter-Authority Services	65	-	-	-	-	-	65	323
	$ 9,395	$ 249	$ 207	$ 1	$ 44	$ -	$ 9,896	$ 9,063

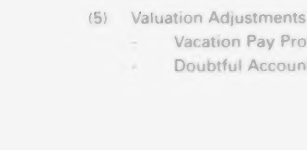
(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources, administrative services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services. In the prior year, these costs were not included in this schedule. The comparative numbers have been restated.

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated in proportion to the expenses incurred by each program.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:
- Vacation Pay Provision -value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.



Silver Birch Child and Family Services Authority

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For the year ended March 31, 2002

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AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Silver Birch Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Silver Birch Child and Family Services Authority as at March 31, 2002 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

Surplus amounts recoverable from contracted agencies at March 31, 2001 were not recorded in the prior year. The amounts subsequently recovered were recorded as reductions of expense in the current year. If the Authority had recorded the surplus amounts in accordance with Canadian generally accepted accounting principles, expenses for the year ended March 31, 2002 would have been increased by $111,000 (2001-decreased by $111,000) and assets and net assets at March 31, 2001 would have been increased by $111,000.

In my opinion, except for the effect of the matter referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn
CA
Auditor General

Edmonton, Alberta
May 23, 2002

Statement of Operations

For the year ended March 31, 2002

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 4)	$ 4,394	$ 3,912	$ 2,834
Recoveries - Resident on Reserve	166	130	127
Recoveries - Inter-Authority Services	1	2	5
Miscellaneous Revenue	-	18	-
	4,561	4,062	2,966
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	360	289	381
Program Support Services (Note 3)	552	607	306
Services to Children and Families:			
Child Welfare	1,662	1,089	1,001
Children with Disabilities	462	595	379
Day Care	251	171	205
Early Intervention	929	754	885
Prevention of Family Violence	344	379	349
Inter-Authority Services	1	2	5
Valuation Adjustments:			
Vacation Pay (Note 2)	-	35	-
	4,561	3,921	3,511
Net Operating Results	$ -	$ 141	$ (545)

The accompanying notes and schedules are part of these financial statements.

Silver Birch Child and Family Services Authority

Statement of Financial Position

As at March 31, 2002

	(In thousands) 2002	2001
Assets		
Cash	$ 359	$ 779
Accounts Receivable (Note 5)	90	113
	$ 449	$ 892
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	$ 243	$ 827
Net Assets		
Net Assets at Beginning of Year	65	610
Net Operating Results	141	(545)
Net Assets at End of Year	206	65
	$ 449	$ 892

The accompanying notes and schedules are part of these financial statements.

Silver Birch Child and Family Services Authority

Statement of Changes in Financial Position

For the year ended March 31, 2002

	(In thousands) 2002	2001
Operating Transactions		
Net Operating Results	$ 141	$ (545)
Non-Cash Items		
Valuation Adjustments	35	-
	176	(545)
Decrease in Accounts Receivable	23	790
Decrease in Advances	-	1
Increase (Decrease) in Accounts Payable and Accrued Liabilities[a]	(619)	533
Cash Provided (Used) by Operating Transactions	(420)	1,324
Cash, Beginning of Year	779	-
Cash, End of Year	$ 359	$ 779

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Notes to the Financial Statements
For the year ended March 31, 2002

NOTE 1 AUTHORITY AND PURPOSE

The Silver Birch Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. All individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

Reporting Entity

The reporting entity is the Silver Birch Child and Family Services Authority which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, on behalf of children meeting the definition of ordinarily resident on reserves.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd.)

Directly incurred costs include:

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

Cash and accounts receivable are recorded at carrying values which approximate fair values due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. Only major enhancements of existing systems of $25,000 and over are capitalized.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2001-2002 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 31, 2001. The Authority approved the budget of $4,561 on February 24, 2001.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be a significant variance between the amount recognized in the financial statements and another possible amount.

The accounts receivable and accounts payable and accrued liabilities recorded as $90 and $243 respectively in these financial statements are subject to measurement uncertainty as there may be a significant variance in the estimate of outstanding accruals. These accruals have been estimated on prior months' averages.

Notes to the Financial Statements

For the year ended March 31, 2002

NOTE 3 ACCOUNTING POLICY CHANGE (In thousands)

Effective April 1, 2001, the accounting policy on information technology costs changed. The cost incurred to support the Authority was recorded in the financial statements of the Department of Children's Services in 2000/2001, but is included in the Authority's financial statements for the 2001/2002 fiscal year. The reason for the change is to show the full costs of the services that the Authority provides.

This accounting policy is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable. The effect of the change is to increase the grant from the Department of Children's Services and increase the program support services expense by $137 on the Statement of Operations. On Schedule 1, the effect of the change is to increase supplies and services by $137. Net assets at the beginning of the year are not impacted by the accounting policy change as any expenses recognized are offset by an increase in the grant from the Department of Children's Services.

NOTE 4 GRANT FROM THE DEPARTMENT OF CHILDREN'S SERVICES

The grant was determined as follows:

	(In thousands)
Original budget	$ 4,394
Reduction in funding provided for the current year	(482)
Grant for the Year	$ 3,912

NOTE 5 ACCOUNTS RECEIVABLE

The accounts receivable are comprised of related party transactions with the Department of Children's Services.

	(In thousands)	
	2002	2001
Department of Children's Services	$ 90	$ 97
Child and Family Services Authorities	-	16
	$ 90	$ 113

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities are comprised of transactions with related parties including the Department of Children's Services and other Child and Family Services Authorities and the remaining transactions are with external parties.

	(In thousands)	
	2002	2001
Department of Children's Services	$ -	$ 496
Accrued Vacation Pay	82	35
Trade Payable	160	205
Child and Family Services Authorities	1	91
	$ 243	$ 827

NOTE 7 COMMITMENTS

As at March 31, 2002, the Authority has the following commitments:

	(In thousands)	
	2002	**2001**
Service contracts	$ 46	$ 368
Long-term leases [a]	115	112
	$ 161	$ 480

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2006. The aggregate amounts payable for the unexpired terms of these leases are as follows:

(In thousands)		
2003	$	47
2004	$	41
2005	$	24
2006	$	3

NOTE 8 VOLUNTARY CONTRIBUTIONS

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

NOTE 9 COMPARATIVE FIGURES

Certain 2001 figures have been reclassified to conform to the 2002 presentation.

NOTE 10 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Authority.

Expenses Detailed by Object

For the year ended March 31, 2002

SCHEDULE 1

	2002 Budget	2002 Actual	2001 Actual
	(In thousands)		
Manpower[a]	$ 912	$ 1,329	$ 976
Supplies and services (Note 3)	3,192	2,432	2,388
Grants	456	123	142
Inter-Authority Services	1	2	5
Other	-	35	-
	$ 4,561	$ 3,921	$ 3,511

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $8,000 (2001 - $6,000) in accrued achievement bonuses for management and non-union staff.

Silver Birch Child and Family Services Authority

Disclosure of Salary and Benefits

For the year ended March 31, 2002

SCHEDULE 2

	(In thousands)			
	2002			2001
	Salary(1)	Benefits and Allowances(2)	Total	Total
Co-Chair of the Authority	$ 11	$ -	$ 11	$ 10
Co-Chair of the Authority(3)	$ 8	$ -	$ 8	$ 15
Board Members (7 members)	$ 34	$ -	$ 34	$ 53
Chief Executive Officer	$ 82	$ 4	$ 86	$ 94

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

(3) The position was occupied by two individuals during the year.

Related Party Transactions
For the year ended March 31, 2002

SCHEDULE 3

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2002	2001	2002	2001
Revenues:				
Grant from the Department of Children's Services	$ 3,912	$ 2,834	$ -	$ -
Recoveries - Resident on Reserve	130	127	-	-
Recoveries - Inter-Authority Services	2	5	-	-
	$ 4,044	$ 2,966	$ -	$ -
Expenses:				
Inter-Authority Services Received	$ 211	$ 141	$ -	$ -
Department of Children's Services	137	-	-	-
	$ 48	$ 141	$ -	$ -
Receivable from/(Payable to):				
Department of Children's Services	$ 90	$ (399)	$ -	$ -
Hearthstone Child and Family Services Authority	-	2	-	-
West Yellowhead Child and Family Services Authority	-	1	-	-
Ma'mowe Capital Region Child and Family Services Authority	(1)	(10)	-	-
Child and Family Services Authority Region 13	-	(8)	-	-
Region 14 Child and Family Services Authority	-	(3)	-	-
Neegan Awas'sak Child and Family Services Authority	-	(57)	-	-
	$ 89	$ (474)	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2002	2001
		(Restated)
Expenses (notional):		
Accommodation	$ 831	$ 221
Administrative	149	136
Legal Services	1	5
	$ 981	$ 362

Allocated Costs

For the year ended March 31, 2002

SCHEDULE 4

(In thousands)

	2002							2001
	Expenses - Incurred by Others				Valuation Adjustments (5)			
Program	Expenses (1)	Accommodation Costs (2)	Administrative Costs (3)	Legal Services (4)	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses (Restated)
Program Support	$ 896	$ 277	$ 149	$ -	$ 12	$ -	$ 1,334	$ 895
Child Welfare	1,089	346	-	1	15	-	1,451	1,103
Children with Disabilities	595	138	-	-	6	-	739	405
Day Care	171	35	-	-	1	-	207	216
Early Intervention	754	35	-	-	1	-	790	900
Prevention of Family Violence	379	-	-	-	-	-	379	349
Inter-Authority Services	2	-	-	-	-	-	2	5
	$ 3,886	$ 831	$ 149	$ 1	$ 35	$ -	$ 4,902	$ 3,873

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources, administrative and information technology services provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services. In the prior year, these costs were not included in this schedule. The comparative numbers have been restated.

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:
- Vacation Pay Provision - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

Métis Settlements

Métis Settlements Child and Family Services Authority

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For the year ended March 31, 2002

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AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Metis Settlements Child and Family Services Authority and the Minister of Children's Services

I have audited the statement of financial position of the Metis Settlements Child and Family Services Authority as at March 31, 2002 and the statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn
CA
Auditor General

Edmonton, Alberta
May 23, 2002

Statement of Operations

For the year ended March 31, 2002

	(In thousands)		
	2002		2001
	Budget	Actual	Actual
Revenues			
Grant from the Department of Children's Services (Note 4)	$ 3,984	$ 4,123	$ 3,323
Miscellaneous Revenue (Note 7)	276	303	211
	4,260	4,426	3,534
Expenses (Schedules 1 and 4)			
Program Support:			
Board Governance	424	340	377
Program Support Services (Note 3)	296	412	199
Services to Children and Families:			
Child Welfare	2,402	2,695	2,225
Children with Disabilities	95	108	55
Day Care	41	41	33
Early Intervention	914	684	850
Prevention of Family Violence	88	98	80
Valuation Adjustments:			
Vacation Pay (Note 2)	-	3	23
	4,260	4,381	3,842
Net Operating Results	$ -	$ 45	$ (308)

The accompanying notes and schedules are part of these financial statements.

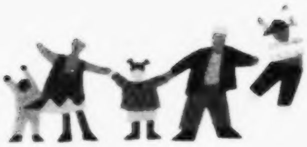
Metis Settlements Child and Family Services Authority

Statement of Financial Position

As at March 31, 2002

	(In thousands) 2002	2001
Assets		
Cash	$ 243	$ 322
Accounts Receivable (Note 5)	145	87
Advances	-	2
	$ 388	$ 411
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	$ 332	$ 400
	332	400
Net Assets		
Net Assets at Beginning of Year	11	319
Net Operating Results	45	(308)
Net Assets at End of Year	56	11
	$ 388	$ 411

The accompanying notes and schedules are part of these financial statements.



Statement of Changes in Financial Position

For the year ended March 31, 2002

	(In thousands) 2002	(In thousands) 2001
Operating Transactions		
Net Operating Results	$ 45	$ (308)
Non-Cash Items		
Valuation Adjustments	3	23
	48	(285)
Decrease (Increase) in Accounts Receivable	(58)	451
Decrease (Increase) in Advances	2	(1)
Decrease in Accounts Payable and Accrued Liabilities(a)	(71)	(44)
Cash Provided (Used) by Operating Transactions	(79)	121
Cash, Beginning of Year	322	201
Cash, End of Year	$ 243	$ 322

(a) Adjusted for valuation adjustment.

The accompanying notes and schedules are part of these financial statements.

Notes to the Financial Statements

For the year ended March 31, 2002

NOTE 1 AUTHORITY AND PURPOSE

The Metis Settlements Child and Family Services Authority (the Authority) operates under the authority of the Child and Family Services Authorities Act, the "Agreement Respecting the Transfer of Responsibility for Child and Family Services" effective April 1, 1999 and directions provided by the Minister of Children's Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children's Services has assigned certain departmental staff to the Authority. All individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the Public Service Act, as are necessary to appoint, manage and direct these individuals. In addition, the Minister has agreed to provide certain administrative services relating to finance, human resources, information technology and communications at no charge to the Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with the following accounting policies that have been established by the government for Child and Family Services Authorities. The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board.

Reporting Entity

The reporting entity is the Metis Settlements Child and Family Services Authority, which is part of the Ministry of Children's Services.

Basis of Financial Reporting

Revenues

Revenues include the reimbursements or recoveries of costs incurred on behalf of other Authorities, and on behalf of children meeting the definition of ordinarily resident on reserves.

Monetary donations from external sources are recorded as revenue when received.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd.)

Directly incurred costs include:

- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from the provision for accrued vacation pay for employees assigned to the Authority by the Department of Children's Services, and
- the cost of salary, wages and employee benefits related to employees assigned by the Department of Children's Services to the Authority are included in manpower expenses. Pension costs comprise the cost of employer contributions for current service of employees during the year.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are disclosed in Schedule 4.

Assets

Cash and accounts receivable are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other capital assets is $15,000. Only major enhancements of existing systems of $25,000 and over are capitalized.

Liabilities

Accounts payable and accrued liabilities are recorded at carrying values, which approximate fair values, due to the short-term nature of these items.

Budget (In thousands)

The Authority receives its financing by way of a grant from the Department of Children's Services. The Authority is economically dependent upon the Department of Children's Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statement of Operations was included in the 2001-2002 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 31, 2001. The Authority approved the budget of $4,260 on April 21, 2001.

Measurement Uncertainty (In thousands)

Measurement uncertainty exists when there could be significant variance between the amount recognized in the financial statements and another possible amount.

The accounts payable and accrued liabilities recorded as $332 in these financial statements are subject to measurement uncertainty. The expenditures for this quarter end are based on estimates, calculated using a linear analysis of the prior year and current year expenditure trends as well as management input. The actual amount could vary significantly from that estimated.

Notes to the Financial Statements

For the year ended March 31, 2002

NOTE 3 ACCOUNTING POLICY CHANGE (In thousands)

Effective April 1, 2001, the accounting policy on information technology costs changed. The cost incurred to support the Authority was recorded in the financial statements of the Department of Children's Services in 2000/2001, but is included in the Authority's financial statements for the 2001/2002 fiscal year. The reason for the change is to show the full costs of the services that the Authority provides.

This accounting policy is applied prospectively as the necessary financial data to restate the prior year is not reasonably determinable. The effect of the change is to increase the grant from the Department of Children's Services and increase the program support services expense by $71 on the Statement of Operations. On Schedule 1, the effect of the change is to increase supplies and services by $71. Net assets (liabilities) at the beginning of the year are not impacted by the accounting policy change as any expenses recognized are offset by an increase in the grant from the Department of Children's Services.

NOTE 4 GRANT FROM THE DEPARTMENT OF CHILDREN'S SERVICES

The grant was determined as follows:

	(In thousands)
Original budget	$ 3,984
Additional funding provided for the current year	139
Grant for the Year	$ 4,123

NOTE 5 ACCOUNTS RECEIVABLE

The accounts receivable are comprised of transactions with the Department of Children's Services and the remaining transactions are with external parties.

	(In thousands)	
	2002	2001
Department of Children's Services	$ 104	$ 87
Federal Justice Department	41	-
	$ 145	$ 87

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities are comprised of transactions with Child and Family Services Authorities, which represent related parties, and transactions with external parties.

	(In thousands)	
	2002	2001
Child and Family Services Authorities	$ 21	$ 34
Accrued Vacation Pay	114	86
Trade Payable	197	256
Federal Justice Department	-	24
	$ 332	$ 400

NOTE 7 MISCELLANEOUS REVENUE

Miscellaneous revenue includes the following:

	(In thousands)	
	2002	**2001**
Federal Justice Department (Note 9)	$ 276	$ 211
Alberta Mental Health Agreement	25	-
Other miscellaneous revenue	2	-
	$ 303	$ 211

NOTE 8 COMMITMENTS

As at March 31, 2002, the Authority has the following commitments:

	(In thousands)	
	2002	**2001**
Long-term leases[a]	$ 133	$ 69

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2004. The aggregate amounts payable for the unexpired terms of these leases are as follows:

(In thousands)	
2003	$ 73
2004	$ 60

NOTE 9 THIRD PARTY AGREEMENT (In thousands)

In partnership with the Metis General Council, the Federal Justice Department, and the Provincial Justice Department, the Authority has entered into an agreement to deliver restorative and preventative Justice programs on the eight Metis Settlements in Alberta. All costs incurred under this agreement are covered by the Federal Justice Department through the Federal Aboriginal Justice Directorate and any surplus is returned to the Federal Justice Department.

The revenues and expenses of $276 (2001 $211) and the resulting account receivable of $41 (2001 payable of $24) are included in the financial statements.

NOTE 10 VOLUNTARY CONTRIBUTIONS

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market value.

NOTE 11 COMPARATIVE FIGURES

Certain 2001 figures have been reclassified to conform to the 2002 presentation.

NOTE 12 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Authority.

Expenses Detailed by Object

For the year ended March 31, 2002

SCHEDULE 1

	2002 Budget	2002 Actual	2001 Actual
	(In thousands)		
Manpower[a]	$ 852	$ 1,407	$ 1,168
Supplies and services (Note 3)	2,982	2,947	2,618
Grants	426	26	33
Other	-	3	23
	$ 4,260	$ 4,383	$ 3,842
Less: Recovery from Alberta Human Resources and Employment	-	(2)	-
	$ 4,260	$ 4,381	$ 3,842

(a) Manpower expenses include salaries, wages and employee benefits paid to employees of the Department of Children's Services, assigned to the Authority. This includes $9,000 (2001 - $7,000) in achievement bonuses for management and non-union staff.

Metis Settlements Child and Family Services Authority

Disclosure of Salary and Benefits

For the year ended March 31, 2002

SCHEDULE 2

	(In thousands)			
	2002			2001
	Salary[1]	Benefits and Allowances[2]	Total	Total
Chair of the Authority	$ 16	$ -	$ 16	$ 21
Board Members (5 members)	$ 72	$ -	$ 72	$ 86
Chief Executive Officer	$ 90	$ 14	$ 105	$ 110

(1) For the Chief Executive Officer, salary includes regular base pay, bonuses, and lump sum payments. Chair persons and board members receive honoraria only.

(2) Benefits and Allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, long and short term disability plans, professional memberships and tuition fees.

Related Party Transactions

For the year ended March 31, 2002

SCHEDULE 3

Related parties are those entities consolidated in the Province of Alberta's financial statements. Related parties also include management in the Authority.

The Authority had the following transactions with related parties measured at the exchange amount of consideration agreed upon between the related parties:

	(In thousands)			
	Entities in the Ministry		Other Entities	
	2002	2001	2002	2001
Revenues:				
Grant from the Department of Children's Services	$ 4,123	$ 3,323	$ -	$ -
Expenses:				
Inter-Authority Services Received	$ 265	$ 50	$ -	$ -
Department of Children's Services	71	-	-	-
	$ 336	$ 50	$ -	$ -
Receivable from/(Payable to):				
Department of Children's Services	$ 104	$ 87	$ -	$ -
Ribstone Child and Family Services Authority	(3)	-	-	-
Sakaw-Askiy Child and Family Services Authority	-	(5)	-	-
Sakaigun Asky Child and Family Services Authority	(4)	(13)	-	-
Child and Family Services Authority Region 13	-	(1)	-	-
Region 14 Child and Family Services Authority	(1)	-	-	-
Neegan Awas'sak Child and Family Services Authority	(13)	-	-	-
Awasak Child and Family Services Authority	-	(15)	-	-
	$ 83	$ 53	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to produce the service. These amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(In thousands)	
	Other Entities	
	2002	2001 (Restated)
Expenses (notional):		
Accommodation	$ 90	$ 58
Administrative	94	86
Legal Services	-	12
	$ 184	$ 156

Allocated Costs

For the year ended March 31, 2002

SCHEDULE 4

	(In thousands)							
	2002							2001
		Expenses - Incurred by Others			Valuation Adjustments(5)			
Program	Expenses(1)	Accommodation Costs(2)	Administrative Costs(3)	Legal Services(4)	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses (Restated)
Program Support	$ 752	$ 7	$ 94	$ -	$ -	$ -	$ 853	$ 674
Child Welfare	2,695	76	-	-	3	-	2,774	2,301
Children with Disabilities	108	-	-	-	-	-	108	55
Day Care	41	-	-	-	-	-	41	33
Early Intervention	684	4	-	-	-	-	688	853
Prevention of Family Violence	98	3	-	-	-	-	101	82
Inter-Authority Services	-	-	-	-	-	-	-	-
	$ 4,378	$ 90	$ 94	$ -	$ 3	$ -	$ 4,565	$ 3,998

(1) Expenses as per the Statement of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by Alberta Infrastructure, represent the CFSA's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources and administrative aservices provided by the Regional Service Center (Alberta Corporate Service Centre), and paid for by the Department of Children's Services. In the prior year, these costs were not included in this schedule. The comparative numbers have been restated.

(4) Costs for Legal Services, which were paid by Alberta Justice, were allocated to the Child Welfare program since the legal services provided were in relation to proceedings under the Child Welfare Act.

(5) Valuation Adjustments as per the Statement of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:
- Vacation Pay Provision - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts Provision - estimated expenses incurred by each program.

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